FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : July 2016

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 905,936.39	37,610,000	KU Fuel Cost - Sales to LGE Native Load
	4,900.06		Half of Split Savings
	$ 910,836.45	37,610,000	
Internal Replacement			
	$ 260,048.51	9,019,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 260,048.51	9,019,000	
Total Purchases	$ 1,170,884.96	46,629,000	
Sales			
Internal Economy			
	$ 1,246,678.26	51,049,000	Fuel for LGE Sale to KU for Native Load
	16,885.63		Half of Split Savings to LGE from KU
	$ 1,263,563.89	51,049,000	
Internal Replacement			
	$ 51,049.59	1,899,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 51,049.59	1,899,000	
Total Sales	$ 1,314,613.48	52,948,000	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 1,246,678.26	51,049,000	Fuel for LGE Sale to KU for Native Load
	16,885.63		Half of Split Savings to LGE from KU
	$ 1,263,563.89	51,049,000	
Internal Replacement			
	$ 51,049.59	1,899,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 51,049.59	1,899,000	
Total Purchases	$ 1,314,613.48	52,948,000	
Sales			
Internal Economy			
	$ 905,936.39	37,610,000	KU Fuel Cost - Sales to LGE Native Load
	4,900.06		Half of Split Savings
	$ 910,836.45	37,610,000	
Internal Replacement			
	$ 260,048.51	9,019,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 260,048.51	9,019,000	
Total Sales	$ 1,170,884.96	46,629,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : July 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	98,523
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	73,892
4.	Current Month True-up	OSS Page 3	$	(2,972)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	70,920
6.	Current Month S(m)	Form A Page 3		1,241,066,489
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00006

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : July 2016

Line No.				
1.	Total OSS Revenues		$	587,033
2.	Total OSS Expenses		$	488,510
3.	Total OSS Margins	L. 1 - L. 2	$	98,523

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : July 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00001)
2.	KWH Billed at Above Rate		1,204,774,430
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ (12,048)
4.	KWH Used to Determine Last OSS Adjustment Factor		907,603,771
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	907,603,771
7.	Revised OSS Factor Billed, if prior period adjustment is needed		-
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ (9,076)
9.	(Over) or Under Amount	(Line 8 - Line 3)	$ (2,972)
10.	Total Sales "Sm" (From Form A, Page 3 of 5)		1,241,066,489
11.	Kentucky Jurisdictional Sales		1,241,066,489
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ (2,972)

FA

LG&E
a PPL company

Louisville Gas and
Electric 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 502-217-4002
derek.rahn@lge-ku.com

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

July 22, 2016

Dear Dr. Mathews:

In compliance with 807 KAR 5:056, Louisville Gas and Electric 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 August 2016 billing cycle which begins August 1, 2016.

After the April 2016 expense month filing was made, it was discovered that the Trimble County reported generation was not correct and the April expense month billing factor should have been ($0.00299) vs. the ($0.00297) that was filed. On page 4, line 7 is the corrected billing factor of ($0.00299). The over/under credit on page 4 was reduced by approximately $16,000 as a result of this correction.

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

Sincerely,

Derek Rahn [DOA]

Derek Rahn

Enclosure

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : June 2016

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	$ (0.00174)	/ KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$ (0.00002)	/ KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$ (0.00172)	/ KWH

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

Effective Date for Billing: August 1, 2016

Submitted by _____

Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : June 2016

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$29{,}717{,}519}{1{,}164{,}794{,}522 \text{ KWH}} = (+)\ \$\ 0.02551\ /\ \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013 = (-) $ 0.02725 / KWH

FAC Factor (1) = $ (0.00174) / KWH

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

Effective Date for Billing: August 1, 2016

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE

Expense Month : June 2016

(A) Company Generation			
Coal Burned	(+)	$ 22,602,106	(1)
Oil Burned	(+)	41,198	(1)
Gas Burned	(+)	5,229,325	
Fuel (assigned cost during Forced Outage)	(+)	2,201,694	
Fuel (substitute cost for Forced Outage)	(-)	2,421,017	
SUB-TOTAL		$ 27,653,306	
(B) Purchases			
Net energy cost - economy purchases	(+)	$ 1,668,703	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	22,614	
Less Purchases Above Highest Cost Units	(-)	1,229	
Internal Economy	(+)	1,180,416	
Internal Replacement	(+)	113,338	
SUB-TOTAL		$ 2,938,614	
(C) Inter-System Sales			
Including Interchange-out	(+)	$ 150,201	
Internal Economy	(+)	1,391,343	
Internal Replacement	(+)	19,782	
Dollars Assigned to Inter-System Sales Losses	(+)	751	
SUB-TOTAL		$ 1,562,077	
(D) Over or (Under) Recovery			
From Page 4, Line 13		$ (687,676)	
TOTAL FUEL RECOVERY (A+B-C-D) =		$ 29,717,519	

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00553.

Coal burned = $2,872
Oil burned = $25

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : June 2016

(A)	Generation (Net)	(+)	1,176,786,000
	Purchases including interchange-in	(+)	58,834,000
	Internal Economy	(+)	44,877,000
	Internal Replacement	(+)	3,945,000
	SUB-TOTAL		1,284,442,000

(B)	Inter-system Sales including interchange-out	(+)	5,153,000
	Internal Economy	(+)	56,802,000
	Internal Replacement	(+)	760,000
	System Losses (1,221,727,000 KWH times 4.66%)	(+)	56,932,478
	SUB-TOTAL		119,647,478

TOTAL SALES (A-B) 1,164,794,522

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : June 2016

1.	Last FAC Rate Billed		(0.00297)
2.	KWH Billed at Above Rate		1,075,677,814
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (3,194,763)
4.	KWH Used to Determine Last FAC Rate		838,490,501
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	838,490,501
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		(0.00299)
8.	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	$ (2,507,087)
9.	Over or (Under) Recovery (See Note 1)	(Line 3 - Line 8)	$ (687,676)
10.	Total Sales "Sm" (From Page 3 of 5)		1,164,794,522
11.	Kentucky Jurisdictional Sales		1,164,794,522
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ (687,676)
			To Page 2, Line D

Note: (1) After the April expense month filing, it was discovered that the Trimble County generation data was not correct and the April expense month billing factor should have been ($0.00299) vs. the ($0.00297) shown on line 1. The over/under credit was reduced approx. $16,000 as a result of this correction.

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : June 2016

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 1,172,058.15	44,877,000	KU Fuel Cost - Sales to LGE Native Load
	8,357.36		Half of Split Savings
	$ 1,180,415.51	44,877,000	
Internal Replacement			
	$ 113,338.28	3,945,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 113,338.28	3,945,000	
Total Purchases	$ 1,293,753.79	48,822,000	
Sales			
Internal Economy			
	$ 1,384,483.09	56,802,000	Fuel for LGE Sale to KU for Native Load
	6,859.93		Half of Split Savings to LGE from KU
	$ 1,391,343.02	56,802,000	
Internal Replacement			
	$ 19,781.81	760,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 19,781.81	760,000	
Total Sales	$ 1,411,124.83	57,562,000	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 1,384,483.09	56,802,000	Fuel for LGE Sale to KU for Native Load
	6,859.93		Half of Split Savings to LGE from KU
	$ 1,391,343.02	56,802,000	
Internal Replacement			
	$ 19,781.81	760,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 19,781.81	760,000	
Total Purchases	$ 1,411,124.83	57,562,000	
Sales			
Internal Economy			
	$ 1,172,058.15	44,877,000	KU Fuel Cost - Sales to LGE Native Load
	8,357.36		Half of Split Savings
	$ 1,180,415.51	44,877,000	
Internal Replacement			
	$ 113,338.28	3,945,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 113,338.28	3,945,000	
Total Sales	$ 1,293,753.79	48,822,000	

Louisville Gas and Electric Company
Kentucky Utilities Company
Calculation of Revised Non-jurisdictional Ratio for April 2016

AS REPORTED	Total	KU	Partners	Losses Adjustment	Total Non-Juris. Generation	Non-Juris. Ratio	Non-juris Expense	LGE	Partners	Losses Adjustment	Total Non-Juris.	Non-Juris. Ratio	Non-juris Expense
TC1 Generation	311,524,000							311,524,000	84,615,000	423,075	85,038,075	0.27297	
TC1 Coal Expense	7,128,337							7,128,337	1,942,543				1,945,822.22
TC1 Oil Expense	3,810							3,810	1,038				1,040.09
TC2 Generation	(3,939,000)	(3,043,000)	182,000	910	182,910	-0.06011		(714,000)	43,000	215	43,215	-0.06053	
TC2 Coal Expense	51,645	41,832					(2,514.54)	9,813	2,290				(593.98)
TC2 Oil Expense	193,832	157,004					(9,437.48)	36,828	8,596				(2,229.20)
Total TC Generation	307,585,000	(3,043,000)	182,000	910	182,910	-0.06011		310,810,000	84,658,000	423,290	85,081,290	0.27374	
Total TC Coal Expense	7,179,982	-41,832					(2,514.54)	7,138,150	1,944,834	-	-		1,945,228.24
Total TC Oil Expense	197,642	157,004					(9,437.48)	40,638	9,634	-	-		(1,189.11)
							(11,952.02)						1,944,039.13

AS CORRECTED	Total		Partners	Losses Adjustment	Total Non-Juris. Generation	Non-Juris. Ratio	Non-juris Expense		Partners	Losses Adjustment	Total Non-Juris.	Non-Juris. Ratio	Non-juris Expense
TC1 Generation	311,524,000	-	-	-	-	0		311,524,000	84,615,000	423,075	85,038,075	0.27297	
TC1 Coal Expense	7,128,337							7,128,337	1,942,543				1,945,822.22
TC1 Oil Expense	3,810							3,810	1,038				1,040.09
TC2 Generation	964,000	781,000	182,000	910	182,910	0.2342		183,000	43,000	215	43,215	0.23615	
TC2 Coal Expense	51,645	41,832					9,797.12	9,813	2,290				2,317.34
TC2 Oil Expense	193,832	157,004					36,770.22	36,828	8,596				8,696.93
Total TC Generation	312,488,000	781,000	182,000	910	182,910	0.2342		311,707,000	84,658,000	423,290	85,081,290	0.27295	
Total TC Coal Expense	7,179,982	41,832					9,797.12	7,138,150	1,944,834	-	-		1,948,139.55
Total TC Oil Expense	197,642	157,004					36,770.22	40,638	9,634	-	-		9,737.02
Total TC Fuel Expense							46,567.34						1,957,876.57
Change in Non-jursidictional Expense							58,519.36						13,837.44

Increase in non-juris fuel expense is decrease in FAC expense.

KU April expense month, as filed

Fuel expense	$ 34,050,300	
kWh	1,487,446,050	
Factor		$ 0.02289
Base		$ 0.02892
		$(0.00603)

KU April expense month, revised factor

Fuel expense	$ 33,991,781	
kWh	1,487,446,050	
Factor		$ 0.02285
Base		$ 0.02892
Revised factor		$(0.00607)

LGE April expense month, as filed

Fuel expense	$ 20,354,604	
kWh	838,490,501	
Factor		$ 0.02428
Base		$ 0.02725
		$ (0.00297)

LGE April expense month, revised factor

Fuel expense	$ 20,340,767	
kWh	838,490,501	
Factor		$ 0.02426
Base		$ 0.02725
Revised factor		$ (0.00299)

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : June 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	13,754
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	10,316
4.	Current Month True-up	OSS Page 3	$	(28,462)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	(18,146)
6.	Current Month S(m)	Form A Page 3		1,164,794,522
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		-0.00002

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : June 2016

Line No.				
1.	Total OSS Revenues		$	219,724
2.	Total OSS Expenses		$	205,970
3.	Total OSS Margins	L. 1 - L. 2	$	13,754

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : June 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00012)
2.	KWH Billed at Above Rate		1,075,677,814
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ (129,081)
4.	KWH Used to Determine Last OSS Adjustment Factor		838,490,501
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	838,490,501
7.	Revised OSS Factor Billed, if prior period adjustment is needed		-
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ (100,619)
9.	(Over) or Under Amount	(Line 8 - Line 3)	$ (28,462)
10.	Total Sales "Sm" (From Form A, Page 3 of 5)		1,164,794,522
11.	Kentucky Jurisdictional Sales		1,164,794,522
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ (28,462)

FA

RECEIVED
JUN 20 2016
PUBLIC SERVICE COMMISSION

LG&E
a PPL company

JUN 2 0 2016

Louisville Gas and Electric 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 502-217-4002
derek.rahn@lge-ku.com

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

June 20, 2016

Dear Executive Director:

In compliance with 807 KAR 5:056, Louisville Gas and Electric 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 July 2016 billing cycle which begins June 30, 2016.

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,

[DOA]

Derek Rahn

Enclosure

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : May 2016

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	$ (0.00268)	/ KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$ 0.00001	/ KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$ (0.00269)	/ KWH

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

Effective Date for Billing: June 30, 2016

Submitted by _____ [DOA]

Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : May 2016

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$22{,}298{,}730}{907{,}603{,}771 \text{ KWH}} = (+)\ \$\ 0.02457\ /\ \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013 = (-) $ 0.02725 / KWH

FAC Factor (1) = $ (0.00268) / KWH

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

Effective Date for Billing: June 30, 2016

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE

Expense Month : May 2016

(A) Company Generation				
Coal Burned	(+)	$	17,289,544	(1)
Oil Burned	(+)		126,725	(1)
Gas Burned	(+)		2,693,428	
Fuel (assigned cost during Forced Outage)	(+)		1,350,614	
Fuel (substitute cost for Forced Outage)	(-)		1,344,331	
SUB-TOTAL		$	20,115,980	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	1,394,540	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		32,863	
Less Purchases Above Highest Cost Units	(-)		-	
Internal Economy	(+)		1,472,248	
Internal Replacement	(+)		15,535	
SUB-TOTAL		$	2,849,460	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	27,054	
Internal Economy	(+)		496,092	
Internal Replacement	(+)		73,745	
Dollars Assigned to Inter-System Sales Losses	(+)		135	
SUB-TOTAL		$	597,026	
(D) Over or (Under) Recovery				
From Page 4, Line 13		$	69,684	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	22,298,730	

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00553.

Coal burned = $3,589
Oil burned = $164

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : May 2016

(A)	Generation (Net)	(+)	878,474,000
	Purchases including interchange-in	(+)	34,783,000
	Internal Economy	(+)	62,923,000
	Internal Replacement	(+)	554,000
	SUB-TOTAL		976,734,000

(B)	Inter-system Sales including interchange-out	(+)	1,038,000
	Internal Economy	(+)	20,350,000
	Internal Replacement	(+)	3,081,000
	System Losses (952,265,000 KWH times 4.69%)	(+)	44,661,229
	SUB-TOTAL		69,130,229

TOTAL SALES (A-B) 907,603,771

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : May 2016

1.	Last FAC Rate Billed		(0.00253)
2.	KWH Billed at Above Rate		840,612,769
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (2,126,750)
4.	KWH Used to Determine Last FAC Rate		868,155,719
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	868,155,719
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$ (2,196,434)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$ 69,684
10.	Total Sales "Sm" (From Page 3 of 5)		907,603,771
11.	Kentucky Jurisdictional Sales		907,603,771
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ 69,684

To Page 2, Line D

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : May 2016

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 1,469,351.72	62,923,000	KU Fuel Cost - Sales to LGE Native Load
	2,896.39		Half of Split Savings
	$ 1,472,248.11	62,923,000	
Internal Replacement			
	$ 15,535.29	554,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 15,535.29	554,000	
Total Purchases	$ 1,487,783.40	63,477,000	
Sales			
Internal Economy			
	$ 494,965.18	20,350,000	Fuel for LGE Sale to KU for Native Load
	1,126.42		Half of Split Savings to LGE from KU
	$ 496,091.60	20,350,000	
Internal Replacement			
	$ 73,745.13	3,081,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 73,745.13	3,081,000	
Total Sales	$ 569,836.73	23,431,000	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 494,965.18	20,350,000	Fuel for LGE Sale to KU for Native Load
	1,126.42		Half of Split Savings to LGE from KU
	$ 496,091.60	20,350,000	
Internal Replacement			
	$ 73,745.13	3,081,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 73,745.13	3,081,000	
Total Purchases	$ 569,836.73	23,431,000	
Sales			
Internal Economy			
	$ 1,469,351.72	62,923,000	KU Fuel Cost - Sales to LGE Native Load
	2,896.39		Half of Split Savings
	$ 1,472,248.11	62,923,000	
Internal Replacement			
	$ 15,535.29	554,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 15,535.29	554,000	
Total Sales	$ 1,487,783.40	63,477,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : May 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	10,012
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	7,509
4.	Current Month True-up	OSS Page 3	$	1,101
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	8,610
6.	Current Month S(m)	Form A Page 3		907,603,771
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00001

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : May 2016

Line No.				
1.	Total OSS Revenues		$	116,919
2.	Total OSS Expenses		$	106,907
3.	Total OSS Margins	L. 1 - L. 2	$	10,012

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : May 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00004)
2.	KWH Billed at Above Rate		840,612,769
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ (33,625)
4.	KWH Used to Determine Last OSS Adjustment Factor		868,155,719
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	868,155,719
7.	Revised OSS Factor Billed, if prior period adjustment is needed		-
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ (34,726)
9.	(Over) or Under Amount	(Line 8 - Line 3)	$ 1,101
10.	Total Sales "Sm" (From Form A, Page 3 of 5)		907,603,771
11.	Kentucky Jurisdictional Sales		907,603,771
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ 1,101

FA

RECEIVED

MAY 20 2016

PUBLIC SERVICE COMMISSION

LG&E
a PPL company

Louisville Gas and Electric 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 502-217-4002
derek.rahn@lge-ku.com

RECEIVED
MAY 23 2016
FINANCIAL ANA

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

May 20, 2016

Dear Executive Director:

In compliance with 807 KAR 5:056, Louisville Gas and Electric 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 June 2016 billing cycle which begins May 31, 2016.

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

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : April 2016

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	$ (0.00297)	/ KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$ 0.00012	/ KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$ (0.00309)	/ KWH

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

Effective Date for Billing: May 31, 2016

Submitted by _____

Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : April 2016

Fuel "Fm" (Fuel Cost Schedule) / Sales "Sm" (Sales Schedule)	=	$20,354,604 / 838,490,501 KWH	= (+) $	0.02428 / KWH
Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013			= (-) $	0.02725 / KWH
FAC Factor (1)			= $	(0.00297) / KWH

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

Effective Date for Billing: May 31, 2016

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE

Expense Month : April 2016

(A) Company Generation				
Coal Burned	(+)	$	18,875,599	(1)
Oil Burned	(+)		41,827	(1)
Gas Burned	(+)		3,242,564	
Fuel (assigned cost during Forced Outage)	(+)		505,971	*
Fuel (substitute cost for Forced Outage)	(-)		474,599	*
SUB-TOTAL		$	22,159,990	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	935,182	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		498	*
Less Purchases Above Highest Cost Units	(-)		1,340	
Internal Economy	(+)		745,404	
Internal Replacement	(+)		94,043	
SUB-TOTAL		$	1,773,289	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	321,803	
Internal Economy	(+)		3,157,618	
Internal Replacement	(+)		56,383	
Dollars Assigned to Inter-System Sales Losses	(+)		1,609	
SUB-TOTAL		$	3,537,413	
(D) Over or (Under) Recovery				
From Page 4, Line 13		$	41,262	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	20,354,604	

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00553.

Coal burned = $395
Oil burned = ($10,823)

* 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.

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : April 2016

(A)	Generation (Net)	(+)	969,508,000
	Purchases including interchange-in	(+)	26,076,000
	Internal Economy	(+)	30,309,000
	Internal Replacement	(+)	3,352,000
	SUB-TOTAL		1,029,245,000

(B)	Inter-system Sales including interchange-out	(+)	12,849,000
	Internal Economy	(+)	135,012,000
	Internal Replacement	(+)	2,371,000
	System Losses (879,013,000 KWH times 4.61%)	(+)	40,522,499
	SUB-TOTAL		190,754,499

TOTAL SALES (A-B) 838,490,501

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : April 2016

1.	Last FAC Rate Billed		(0.00060)
2.	KWH Billed at Above Rate		823,464,218
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (494,079)
4.	KWH Used to Determine Last FAC Rate		892,234,248
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	892,234,248
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$ (535,341)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$ 41,262
10.	Total Sales "Sm" (From Page 3 of 5)		838,490,501
11.	Kentucky Jurisdictional Sales		838,490,501
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ 41,262

To Page 2, Line D

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : April 2016

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 742,963.98	30,309,000	KU Fuel Cost - Sales to LGE Native Load
	2,439.97		Half of Split Savings
	$ 745,403.95	30,309,000	
Internal Replacement			
	$ 94,043.20	3,352,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 94,043.20	3,352,000	
Total Purchases	$ 839,447.15	33,661,000	
Sales			
Internal Economy			
	$ 3,150,797.17	135,012,000	Fuel for LGE Sale to KU for Native Load
	6,820.98		Half of Split Savings to LGE from KU
	$ 3,157,618.15	135,012,000	
Internal Replacement			
	$ 56,383.33	2,371,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 56,383.33	2,371,000	
Total Sales	$ 3,214,001.48	137,383,000	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 3,150,797.17	135,012,000	Fuel for LGE Sale to KU for Native Load
	6,820.98		Half of Split Savings to LGE from KU
	$ 3,157,618.15	135,012,000	
Internal Replacement			
	$ 56,383.33	2,371,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 56,383.33	2,371,000	
Total Purchases	$ 3,214,001.48	137,383,000	
Sales			
Internal Economy			
	$ 742,963.98	30,309,000	KU Fuel Cost - Sales to LGE Native Load
	2,439.97		Half of Split Savings
	$ 745,403.95	30,309,000	
Internal Replacement			
	$ 94,043.20	3,352,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 94,043.20	3,352,000	
Total Sales	$ 839,447.15	33,661,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : April 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	126,900
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	95,175
4.	Current Month True-up	OSS Page 3	$	2,750
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	97,925
6.	Current Month S(m)	Form A Page 3		838,490,501
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00012

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : April 2016

Line No.				
1.	Total OSS Revenues		$	561,164
2.	Total OSS Expenses		$	434,264
3.	Total OSS Margins	L. 1 - L. 2	$	126,900

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : April 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00004)
2.	KWH Billed at Above Rate		823,464,218
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	$ (32,939)
4.	KWH Used to Determine Last OSS Adjustment Factor		892,234,248
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	892,234,248
7.	Revised OSS Factor Billed, if prior period adjustment is needed		-
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	$ (35,689)
9.	(Over) or Under Amount	(Line 8 - Line 3)	$ 2,750
10.	Total Sales "Sm" (From Form A, Page 3 of 5)		838,490,501
11.	Kentucky Jurisdictional Sales		838,490,501
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	$ 2,750

FA

LG&E
a PPL company

RECEIVED
APR 19 2016
PUBLIC SERVICE
COMMISSION

RECEIVED
APR 19 2016
FINANCIAL

Louisville Gas and
Electric 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 502-217-4002
derek.rahn@lge-ku.com

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

April 19, 2016

Dear Executive Director:

In compliance with 807 KAR 5:056, Louisville Gas and Electric 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 May 2016 billing cycle which begins April 29, 2016.

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

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : March 2016

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	$	(0.00253)	/ KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$	0.00004	/ KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$	(0.00257)	/ KWH

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

Effective Date for Billing: April 29, 2016

Submitted by _____

Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : March 2016

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$21{,}462{,}938}{868{,}155{,}719 \text{ KWH}} = (+)\ \$\ 0.02472\ /\ \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013 = (-) $ 0.02725 / KWH

FAC Factor (1) = $ (0.00253) / KWH

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

Effective Date for Billing: April 29, 2016

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE

Expense Month : March 2016

(A) Company Generation				
Coal Burned	(+)	$	18,932,439	(1)
Oil Burned	(+)		74,228	(1)
Gas Burned	(+)		3,057,671	
Fuel (assigned cost during Forced Outage)	(+)		2,560,706	*
Fuel (substitute cost for Forced Outage)	(-)		2,330,083	*
SUB-TOTAL		$	22,064,338	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	1,078,710	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		5,671	*
Less Purchases Above Highest Cost Units	(-)		-	
Internal Economy	(+)		1,333,514	
Internal Replacement	(+)		3,257	
SUB-TOTAL		$	2,415,481	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	46,280	
Internal Economy	(+)		2,944,511	
Internal Replacement	(+)		17,357	
Dollars Assigned to Inter-System Sales Losses	(+)		231	
SUB-TOTAL		$	3,008,379	
(D) Over or (Under) Recovery				
From Page 4, Line 13		$	8,502	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	21,462,938	

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00553.

Coal burned = $4,323
Oil burned = $65

* 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.

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : March 2016

(A)	Generation (Net)	(+)	961,375,000
	Purchases including interchange-in	(+)	14,169,000
	Internal Economy	(+)	61,729,000
	Internal Replacement	(+)	128,000
	SUB-TOTAL		1,037,401,000

(B)	Inter-system Sales including interchange-out	(+)	2,062,000
	Internal Economy	(+)	125,384,000
	Internal Replacement	(+)	701,000
	System Losses (909,254,000 KWH times 4.52%)	(+)	41,098,281
	SUB-TOTAL		169,245,281

TOTAL SALES (A-B) 868,155,719

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : March 2016

1.	Last FAC Rate Billed		(0.00006)
2.	KWH Billed at Above Rate		857,764,773
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (51,466)
4.	KWH Used to Determine Last FAC Rate		999,468,747
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	999,468,747
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$ (59,968)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$ 8,502
10.	Total Sales "Sm" (From Page 3 of 5)		868,155,719
11.	Kentucky Jurisdictional Sales		868,155,719
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ 8,502

To Page 2, Line D

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : March 2016

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 1,332,375.31	61,729,000	KU Fuel Cost - Sales to LGE Native Load
	1,139.16		Half of Split Savings
	$ 1,333,514.47	61,729,000	
Internal Replacement			
	$ 3,256.85	128,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 3,256.85	128,000	
Total Purchases	$ 1,336,771.32	61,857,000	
Sales			
Internal Economy			
	$ 2,944,153.80	125,384,000	Fuel for LGE Sale to KU for Native Load
	356.84		Half of Split Savings to LGE from KU
	$ 2,944,510.64	125,384,000	
Internal Replacement			
	$ 17,357.46	701,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 17,357.46	701,000	
Total Sales	$ 2,961,868.10	126,085,000	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	$ 2,944,153.80	125,384,000	Fuel for LGE Sale to KU for Native Load
	356.84		Half of Split Savings to LGE from KU
	$ 2,944,510.64	125,384,000	
Internal Replacement			
	$ 17,357.46	701,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	$ 17,357.46	701,000	
Total Purchases	$ 2,961,868.10	126,085,000	
Sales			
Internal Economy			
	$ 1,332,375.31	61,729,000	KU Fuel Cost - Sales to LGE Native Load
	1,139.16		Half of Split Savings
	$ 1,333,514.47	61,729,000	
Internal Replacement			
	$ 3,256.85	128,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	$ 3,256.85	128,000	
Total Sales	$ 1,336,771.32	61,857,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : March 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	20,103
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	15,077
4.	Current Month True-up	OSS Page 3	$	22,673
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	37,750
6.	Current Month S(m)	Form A Page 3		868,155,719
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00004

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : March 2016

Line No.				
1.	Total OSS Revenues		$	89,481
2.	Total OSS Expenses		$	69,378
3.	Total OSS Margins	L. 1 - L. 2	$	20,103

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : March 2016

Line No.				
1.	Last OSS Adjustment Factor Billed		$	(0.00016)
2.	KWH Billed at Above Rate			857,764,773
3.	OSS Adjustment Credit	(Line 1 x Line 2)	$	(137,242)
4.	KWH Used to Determine Last OSS Adjustment Factor			999,468,747
5.	Non-Jurisdictional KWH (Included in Line 4)			0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		999,468,747
7.	Revised OSS Factor Billed, if prior period adjustment is needed			-
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	$	(159,915)
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	$	22,673
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			868,155,719
11.	Kentucky Jurisdictional Sales			868,155,719
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		1.00000000
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	$	22,673

FA

RECEIVED

MAR 21 2016

PUBLIC SERVICE COMMISSION

LG&E

a PPL company

RECEIVED

MAR 21 2016

FINANCE/TARIFFS

Louisville Gas and Electric 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 502-627-4002
derek.rahn@lge-ku.com

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

March 21, 2016

Dear Executive Director:

In compliance with 807 KAR 5:056, Louisville Gas and Electric 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 April 2016 billing cycle which begins March 31, 2016.

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

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : February 2016

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+)	$	(0.00060)	/ KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-)	$	0.00004	/ KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	=	$	(0.00064)	/ KWH

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

Effective Date for Billing: March 31, 2016

Submitted by _____

Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : February 2016

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$23{,}782{,}353}{892{,}234{,}248 \text{ KWH}} = (+)\ \$\ 0.02665\ /\ \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013 = (-) $ 0.02725 / KWH

FAC Factor (1) = $ (0.00060) / KWH

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

Effective Date for Billing: March 31, 2016

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE

Expense Month : February 2016

(A) Company Generation				
Coal Burned	(+)	$	22,836,593	(1)
Oil Burned	(+)		96,443	(1)
Gas Burned	(+)		3,210,174	
Fuel (assigned cost during Forced Outage)	(+)		141,599	
Fuel (substitute cost for Forced Outage)	(-)		166,522	
SUB-TOTAL		$	26,118,287	
(B) Purchases				
Net energy cost - economy purchases	(+)	$	1,423,996	
Identifiable fuel cost - other purchases	(+)		-	
Identifiable fuel cost (substitute for Forced Outage)	(-)		313	
Less Purchases Above Highest Cost Units	(-)		-	
Internal Economy	(+)		12,256	
Internal Replacement	(+)		38,405	
SUB-TOTAL		$	1,474,344	
(C) Inter-System Sales				
Including Interchange-out	(+)	$	126,462	
Internal Economy	(+)		3,730,599	
Internal Replacement	(+)		1,278	
Dollars Assigned to Inter-System Sales Losses	(+)		632	
SUB-TOTAL		$	3,858,971	
(D) Over or (Under) Recovery				
From Page 4, Line 13		$	(48,693)	
TOTAL FUEL RECOVERY (A+B-C-D) =		$	23,782,353	

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00553.

Coal burned = $5,401
Oil burned = $26

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : February 2016

(A)	Generation (Net)	(+)	1,077,425,000
	Purchases including interchange-in	(+)	17,336,000
	Internal Economy	(+)	537,000
	Internal Replacement	(+)	1,422,000
	SUB-TOTAL		1,096,720,000

(B)	Inter-system Sales including interchange-out	(+)	5,255,000
	Internal Economy	(+)	156,252,000
	Internal Replacement	(+)	55,000
	System Losses (935,158,000 KWH times 4.59%)	(+)	42,923,752
	SUB-TOTAL		204,485,752

TOTAL SALES (A-B) 892,234,248

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : February 2016

1.	Last FAC Rate Billed		(0.00150)
2.	KWH Billed at Above Rate		923,007,155
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	$ (1,384,511)
4.	KWH Used to Determine Last FAC Rate		890,545,396
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	890,545,396
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	$ (1,335,818)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	$ (48,693)
10.	Total Sales "Sm" (From Page 3 of 5)		892,234,248
11.	Kentucky Jurisdictional Sales		892,234,248
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	$ (48,693)

To Page 2, Line D

FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS
Expense Month : February 2016

LOUISVILLE GAS AND ELECTRIC COMPANY

			KWH	
Purchases				
Internal Economy				
	$	12,227.45	537,000	KU Fuel Cost - Sales to LGE Native Load
		28.57		Half of Split Savings
	$	12,256.02	537,000	
Internal Replacement				
	$	38,405.02	1,422,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	38,405.02	1,422,000	
Total Purchases	$	50,661.04	1,959,000	
Sales				
Internal Economy				
	$	3,728,086.86	156,252,000	Fuel for LGE Sale to KU for Native Load
		2,512.01		Half of Split Savings to LGE from KU
	$	3,730,598.87	156,252,000	
Internal Replacement				
	$	1,278.19	55,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	1,278.19	55,000	
Total Sales	$	3,731,877.06	156,307,000	

KENTUCKY UTILITIES COMPANY

			KWH	
Purchases				
Internal Economy				
	$	3,728,086.86	156,252,000	Fuel for LGE Sale to KU for Native Load
		2,512.01		Half of Split Savings to LGE from KU
	$	3,730,598.87	156,252,000	
Internal Replacement				
	$	1,278.19	55,000	Freed-up LGE Generation sold back to KU
		-	0	LGE Generation for KU Pre-Merger Sales
	$	1,278.19	55,000	
Total Purchases	$	3,731,877.06	156,307,000	
Sales				
Internal Economy				
	$	12,227.45	537,000	KU Fuel Cost - Sales to LGE Native Load
		28.57		Half of Split Savings
	$	12,256.02	537,000	
Internal Replacement				
	$	38,405.02	1,422,000	Freed-up KU Generation sold back to LGE
		-	0	KU Generation for LGE Pre-Merger
		-	0	KU Generation for LGE IB
	$	38,405.02	1,422,000	
Total Sales	$	50,661.04	1,959,000	

OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : February 2016

Line No.				
1.	Current Month OSS Margins	OSS Page 2	$	43,532
2.	Customer Sharing			75%
3.	Customer Share of OSS Margins	L. 1 x L. 2	$	32,649
4.	Current Month True-up	OSS Page 3	$	(974)
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	$	31,675
6.	Current Month S(m)	Form A Page 3		892,234,248
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00004

OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : February 2016

Line No.				
1.	Total OSS Revenues		$	204,884
2.	Total OSS Expenses		$	161,352
3.	Total OSS Margins	L. 1 - L. 2	$	43,532

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
LOUISVILLE GAS AND ELECTRIC COMPANY

Expense Month : February 2016

Line No.			
1.	Last OSS Adjustment Factor Billed		$ (0.00003)
2.	KWH Billed at Above Rate		923,007,155
3.	OSS Adjustment Credit	(Line 1 x Line 2)	$ (27,690)
4.	KWH Used to Determine Last OSS Adjustment Factor		890,545,396
5.	Non-Jurisdictional KWH (Included in Line 4)		0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	890,545,396
7.	Revised OSS Factor Billed, if prior period adjustment is needed		-
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	$ (26,716)
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	$ (974)
10.	Total Sales "Sm" (From Form A, Page 3 of 5)		892,234,248
11.	Kentucky Jurisdictional Sales		892,234,248
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.00000000
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	$ (974)