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Ms. Gwen R. Pinson
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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JAN 19 2018
PUBLIC SERVICE
COMMISSION

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

January 19, 2018

Dear Ms. Pinson:

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 February 2018 billing cycle which begins January 30, 2018.

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

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: December 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00053) / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u>0.00023</u> / KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u>(0.00076)</u> / KWH

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

Effective Date for Billing: January 30, 2018

Submitted by



Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: December 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$22,858,067}{962,296,096 \text{ KWH}} = (+) \$ 0.02375 / \text{KWH}$$

$$\text{Per First Revision of PSC approved Tariff Sheet No. 85.1} \\ \text{effective September 1, 2017} = (-) \$ \underline{0.02428} / \text{KWH}$$

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00053)}} / \text{KWH}$$

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

Effective Date for Billing: January 30, 2018

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: December 2017

(A) Company Generation		
Coal Burned		(+) \$ 22,181,958 (1)
Oil Burned		(+) 23 (1)
Gas Burned		(+) 4,927,694 (1)
Fuel (assigned cost during Forced Outage)		(+) 766,798
Fuel (substitute cost for Forced Outage)		(-) 822,641
SUB-TOTAL		<u>\$ 27,053,832</u>
(B) Purchases		
Net energy cost - economy purchases		(+) \$ 1,334,946
Identifiable fuel cost - other purchases		(+) -
Identifiable fuel cost (substitute for Forced Outage)		(-) 1,156
Less Purchases Above Highest Cost Units		(-) -
Internal Economy		(+) 26,997
Internal Replacement		(+) 291,466
SUB-TOTAL		<u>\$ 1,652,253</u>
(C) Inter-System Sales		
Including Interchange-out		(+) \$ 750,874
Internal Economy		(+) 5,094,328
Internal Replacement		(+) 20
Dollars Assigned to Inter-System Sales Losses		(+) 3,754
SUB-TOTAL		<u>\$ 5,848,976</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13		<u>\$ (958)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 22,858,067</u></u>

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 = \$4,475
Oil burned = \$0
Gas burned = \$127

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: December 2017

1.	Last FAC Rate Billed		(0.00098)
2.	KWH Billed at Above Rate		<u>889,695,852</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (871,902)</u>
4.	KWH Used to Determine Last FAC Rate		888,717,917
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>888,717,917</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (870,944)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (958)</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>962,296,096</u>
11.	Kentucky Jurisdictional Sales		<u>962,296,096</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (958)</u>

To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: December 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 26,982.68	1,353,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	14.77		
	<u>\$ 26,997.45</u>	<u>1,353,000</u>	
Internal Replacement	\$ 291,466.44	11,031,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 291,466.44</u>	<u>11,031,000</u>	
Total Purchases	<u>\$ 318,463.89</u>	<u>12,384,000</u>	
Sales			
Internal Economy	\$ 5,060,352.35	235,488,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	33,975.67		
	<u>\$ 5,094,328.02</u>	<u>235,488,000</u>	
Internal Replacement	\$ 20.40	1,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 20.40</u>	<u>1,000</u>	
Total Sales	<u>\$ 5,094,348.42</u>	<u>235,489,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 5,060,352.35	235,488,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	33,975.67		
	<u>\$ 5,094,328.02</u>	<u>235,488,000</u>	
Internal Replacement	\$ 20.40	1,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 20.40</u>	<u>1,000</u>	
Total Purchases	<u>\$ 5,094,348.42</u>	<u>235,489,000</u>	
Sales			
Internal Economy	\$ 26,982.68	1,353,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	14.77		
	<u>\$ 26,997.45</u>	<u>1,353,000</u>	
Internal Replacement	\$ 291,466.44	11,031,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 291,466.44</u>	<u>11,031,000</u>	
Total Sales	<u>\$ 318,463.89</u>	<u>12,384,000</u>	

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

Expense Month: December 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	300,451
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	225,338
4.	Current Month True-up	OSS Page 3	\$	<u>(88)</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u>225,250</u>
6.	Current Month S(m)	Form A Page 3		962,296,096
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00023

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

Expense Month: December 2017

Line No.

1.	Total OSS Revenues		\$ 1,195,581
2.	Total OSS Expenses		<u>\$ 895,130</u>
3.	Total OSS Margins	L. 1 - L. 2	<u><u>\$ 300,451</u></u>

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

Expense Month: December 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>(0.00009)</u>
2.	KWH Billed at Above Rate			<u>889,695,852</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>(80,073)</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>888,717,917</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>888,717,917</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>-</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>(79,985)</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>(88)</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>962,296,096</u>
11.	Kentucky Jurisdictional Sales			<u>962,296,096</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>(88)</u>



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December 19, 2017

Dear Ms. Pinson:

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 January 2018 billing cycle which begins December 29, 2017.

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

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: November 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ 0.00020 / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u>0.00001</u> / KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u><u>0.00019</u></u> / KWH

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

Effective Date for Billing: December 29, 2017

Submitted by



Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: November 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$20,822,505}{850,555,875 \text{ KWH}} = (+) \$ 0.02448 / \text{KWH}$$

$$\text{Per First Revision of PSC approved Tariff Sheet No. 85.1} \\ \text{effective September 1, 2017} = (-) \$ \underline{0.02428} / \text{KWH}$$

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

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

Effective Date for Billing: December 29, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: November 2017

(A) Company Generation		
Coal Burned	(+) \$	13,398,012 (1)
Oil Burned	(+)	- (1)
Gas Burned	(+)	4,423,963 (1)
Fuel (assigned cost during Forced Outage)	(+)	798,792 *
Fuel (substitute cost for Forced Outage)	(-)	675,319 *
SUB-TOTAL		\$ 17,821,975
(B) Purchases		
Net energy cost - economy purchases	(+) \$	1,532,619
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,875 *
Less Purchases Above Highest Cost Units	(-)	577
Internal Economy	(+)	1,920,704
Internal Replacement	(+)	9,514
SUB-TOTAL		\$ 3,462,260
(C) Inter-System Sales		
Including Interchange-out	(+) \$	23,101
Internal Economy	(+)	311,900
Internal Replacement	(+)	41,054
Dollars Assigned to Inter-System Sales Losses	(+)	116
SUB-TOTAL		\$ 376,171
(D) Over or (Under) Recovery		
From Page 4, Line 13	\$	85,559
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 20,822,505

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 =	\$2,426
Oil burned =	\$0
Gas burned =	\$62

* 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: November 2017

(A) Generation (Net)		(+)	777,848,000
Purchases including interchange-in		(+)	34,607,000
Internal Economy		(+)	91,433,000
Internal Replacement		(+)	350,000
SUB-TOTAL			<u>904,238,000</u>
(B) Inter-system Sales including interchange-out		(+)	847,000
Internal Economy		(+)	12,631,000
Internal Replacement		(+)	1,894,000
System Losses	(888,866,000 KWH times 4.31%)	(+)	<u>38,310,125</u>
SUB-TOTAL			<u>53,682,125</u>
TOTAL SALES (A-B)			<u><u>850,555,875</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

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

Expense Month: November 2017

1.	Last FAC Rate Billed		(0.00062)
2.	KWH Billed at Above Rate		<u>831,541,125</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (515,555)</u>
4.	KWH Used to Determine Last FAC Rate		969,539,483
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>969,539,483</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (601,114)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 85,559</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>850,555,875</u>
11.	Kentucky Jurisdictional Sales		<u>850,555,875</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 85,559</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: November 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 1,916,339.88	91,433,000	KU Fuel Cost - Sales to LGE Native Load
	4,364.58		Half of Split Savings
	<u>\$ 1,920,704.46</u>	<u>91,433,000</u>	
Internal Replacement			
	\$ 9,514.40	350,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 9,514.40</u>	<u>350,000</u>	
Total Purchases	<u>\$ 1,930,218.86</u>	<u>91,783,000</u>	
Sales			
Internal Economy			
	\$ 310,541.32	12,631,000	Fuel for LGE Sale to KU for Native Load
	1,358.65		Half of Split Savings to LGE from KU
	<u>\$ 311,899.97</u>	<u>12,631,000</u>	
Internal Replacement			
	\$ 41,053.75	1,894,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 41,053.75</u>	<u>1,894,000</u>	
Total Sales	<u>\$ 352,953.72</u>	<u>14,525,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 310,541.32	12,631,000	Fuel for LGE Sale to KU for Native Load
	1,358.65		Half of Split Savings to LGE from KU
	<u>\$ 311,899.97</u>	<u>12,631,000</u>	
Internal Replacement			
	\$ 41,053.75	1,894,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 41,053.75</u>	<u>1,894,000</u>	
Total Purchases	<u>\$ 352,953.72</u>	<u>14,525,000</u>	
Sales			
Internal Economy			
	\$ 1,916,339.88	91,433,000	KU Fuel Cost - Sales to LGE Native Load
	4,364.58		Half of Split Savings
	<u>\$ 1,920,704.46</u>	<u>91,433,000</u>	
Internal Replacement			
	\$ 9,514.40	350,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 9,514.40</u>	<u>350,000</u>	
Total Sales	<u>\$ 1,930,218.86</u>	<u>91,783,000</u>	

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

Expense Month: November 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	3,857
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	2,893
4.	Current Month True-up	OSS Page 3	\$	<u>9,660</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u>12,553</u>
6.	Current Month S(m)	Form A Page 3		850,555,875
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: November 2017

Line No.

1.	Total OSS Revenues		\$	72,351
2.	Total OSS Expenses		\$	<u>68,494</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>3,857</u></u>

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

Expense Month: November 2017

Line No.

1. Last OSS Adjustment Factor Billed		<u>\$ (0.00007)</u>
2. KWH Billed at Above Rate		<u>831,541,125</u>
3. OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	<u>\$ (58,208)</u>
4. KWH Used to Determine Last OSS Adjustment Factor		<u>969,539,483</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>969,539,483</u>
7. Revised OSS Factor Billed, if prior period adjustment is needed		<u>-</u>
8. OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	<u>\$ (67,868)</u>
9. (Over) or Under Amount	(Line 3 - Line 8)	<u>\$ 9,660</u>
10. Total Sales "Sm" (From Form A, Page 3 of 5)		<u>850,555,875</u>
11. Kentucky Jurisdictional Sales		<u>850,555,875</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13. Total Company (Over) or Under Amount	(Line 9 x Line 12)	<u>\$ 9,660</u>

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PUBLIC SERVICE
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November 17, 2017

Dear Ms. Pinson:

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 December 2017 billing cycle which begins November 29, 2017.

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
Derek Rahn

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: October 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00098) / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u>0.00009</u> / KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u>(0.00107)</u> / KWH

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

Effective Date for Billing: November 29, 2017

Submitted by



Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: October 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$20,707,799}{888,717,917 \text{ KWH}} = (+) \$ 0.02330 / \text{KWH}$$

$$\text{Per First Revision of PSC approved Tariff Sheet No. 85.1} \\ \text{effective September 1, 2017} = (-) \$ \underline{0.02428} / \text{KWH}$$

$$\text{FAC Factor (1)} = \$ \underline{\underline{(0.00098)}} / \text{KWH}$$

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

Effective Date for Billing: November 29, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: October 2017

(A) Company Generation		
Coal Burned	(+) \$	19,636,960 (1)
Oil Burned	(+)	- (1)
Gas Burned	(+)	3,009,341 (1)
Fuel (assigned cost during Forced Outage)	(+)	-
Fuel (substitute cost for Forced Outage)	(-)	-
SUB-TOTAL		<u>\$ 22,646,301</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	1,059,573
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	-
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	202,571
Internal Replacement	(+)	207,006
SUB-TOTAL		<u>\$ 1,469,150</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	477,364
Internal Economy	(+)	2,147,108
Internal Replacement	(+)	68,723
Dollars Assigned to Inter-System Sales Losses	(+)	2,387
SUB-TOTAL		<u>\$ 2,695,582</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13	\$	<u>712,070</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	<u>20,707,799</u>

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 = \$2,417
Oil burned = \$0
Gas burned = \$42

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month: October 2017

(A) Generation (Net)		(+)	1,013,496,000
Purchases including interchange-in		(+)	19,256,000
Internal Economy		(+)	9,078,000
Internal Replacement		(+)	7,937,000
SUB-TOTAL			<u>1,049,767,000</u>
(B) Inter-system Sales including interchange-out		(+)	19,923,000
Internal Economy		(+)	98,683,000
Internal Replacement		(+)	3,093,000
System Losses	(928,068,000 KWH times 4.24%)	(+)	<u>39,350,083</u>
SUB-TOTAL			<u>161,049,083</u>
TOTAL SALES (A-B)			<u><u>888,717,917</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

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

Expense Month: October 2017

1.	Last FAC Rate Billed		(0.00357)
2.	KWH Billed at Above Rate		<u>942,627,992</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (3,365,182)</u>
4.	KWH Used to Determine Last FAC Rate		1,142,087,413
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,142,087,413</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (4,077,252)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 712,070</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>888,717,917</u>
11.	Kentucky Jurisdictional Sales		<u>888,717,917</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 712,070</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month: October 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 200,718.17	9,078,000	KU Fuel Cost - Sales to LGE Native Load
	1,852.93		Half of Split Savings
	<u>\$ 202,571.10</u>	<u>9,078,000</u>	
Internal Replacement			
	\$ 207,005.66	7,937,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 207,005.66</u>	<u>7,937,000</u>	
Total Purchases	<u>\$ 409,576.76</u>	<u>17,015,000</u>	
Sales			
Internal Economy			
	\$ 2,128,429.59	98,683,000	Fuel for LGE Sale to KU for Native Load
	18,678.28		Half of Split Savings to LGE from KU
	<u>\$ 2,147,107.87</u>	<u>98,683,000</u>	
Internal Replacement			
	\$ 68,723.09	3,093,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 68,723.09</u>	<u>3,093,000</u>	
Total Sales	<u>\$ 2,215,830.96</u>	<u>101,776,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 2,128,429.59	98,683,000	Fuel for LGE Sale to KU for Native Load
	18,678.28		Half of Split Savings to LGE from KU
	<u>\$ 2,147,107.87</u>	<u>98,683,000</u>	
Internal Replacement			
	\$ 68,723.09	3,093,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 68,723.09</u>	<u>3,093,000</u>	
Total Purchases	<u>\$ 2,215,830.96</u>	<u>101,776,000</u>	
Sales			
Internal Economy			
	\$ 200,718.17	9,078,000	KU Fuel Cost - Sales to LGE Native Load
	1,852.93		Half of Split Savings
	<u>\$ 202,571.10</u>	<u>9,078,000</u>	
Internal Replacement			
	\$ 207,005.66	7,937,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 207,005.66</u>	<u>7,937,000</u>	
Total Sales	<u>\$ 409,576.76</u>	<u>17,015,000</u>	

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

Expense Month: October 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	109,198
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	81,899
4.	Current Month True-up	OSS Page 3	\$	<u>-</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u>81,899</u>
6.	Current Month S(m)	Form A Page 3		888,717,917
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00009

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

Expense Month: October 2017

Line No.

1.	Total OSS Revenues		\$	767,228
2.	Total OSS Expenses		\$	<u>658,030</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>109,198</u></u>

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

Expense Month: October 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>-</u>
2.	KWH Billed at Above Rate			<u>942,627,992</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>-</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>1,142,087,413</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>1,142,087,413</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>-</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>-</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>-</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>888,717,917</u>
11.	Kentucky Jurisdictional Sales			<u>888,717,917</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>-</u>



a PPL company

FA

Ms. Gwen R. Pinson
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
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Frankfort, Kentucky 40602

Louisville Gas and
Electric Company
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Derek Rahn
Manager - Revenue
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RECEIVED

OCT 20 2017

PUBLIC SERVICE
COMMISSION

OCT 23 2017

October 20, 2017

Dear Ms. Pinson:

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 November 2017 billing cycle which begins October 30, 2017.

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

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: September 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$22,943,967}{969,539,483 \text{ KWH}} = (+) \$ 0.02366 / \text{KWH}$$

$$\text{Per First Revision of PSC approved Tariff Sheet No. 85.1 effective September 1, 2017} = (-) \$ \underline{0.02428} / \text{KWH}$$

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00062) / \text{KWH}}}$$

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

Effective Date for Billing: October 30, 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: September 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00062) / 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>(0.00069)</u> / KWH

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

Effective Date for Billing: October 30, 2017

Submitted by



Title: Manager, Revenue Requirement

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: September 2017

(A) Company Generation		
Coal Burned	(+) \$	18,566,010 (1)
Oil Burned	(+)	24,568 (1)
Gas Burned	(+)	3,774,026 (1)
Fuel (assigned cost during Forced Outage)	(+)	30,892
Fuel (substitute cost for Forced Outage)	(-)	33,900
SUB-TOTAL		<u>\$ 22,361,596</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	695,126
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	359
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	1,214,370
Internal Replacement	(+)	35,244
SUB-TOTAL		<u>\$ 1,944,381</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	152,386
Internal Economy	(+)	443,171
Internal Replacement	(+)	111,974
Dollars Assigned to Inter-System Sales Losses	(+)	762
SUB-TOTAL		<u>\$ 708,293</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13		<u>\$ 653,717</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 22,943,967</u></u>

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 = \$4,610
Oil burned = \$16
Gas burned = \$42

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month: September 2017

(A) Generation (Net)		(+)	992,610,000
Purchases including interchange-in		(+)	(5,215,000)
Internal Economy		(+)	54,215,000
Internal Replacement		(+)	1,628,000
SUB-TOTAL			<u>1,043,238,000</u>
(B) Inter-system Sales including interchange-out		(+)	6,659,000
Internal Economy		(+)	20,229,000
Internal Replacement		(+)	4,727,000
System Losses	(1,011,623,000 KWH times 4.16%)	(+)	<u>42,083,517</u>
SUB-TOTAL			<u>73,698,517</u>
TOTAL SALES (A-B)			<u><u>969,539,483</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

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

Expense Month: September 2017

1.	Last FAC Rate Billed		(0.00304)
2.	KWH Billed at Above Rate		<u>1,029,441,870</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (3,129,503)</u>
4.	KWH Used to Determine Last FAC Rate		1,244,480,113
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,244,480,113</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (3,783,220)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 653,717</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>969,539,483</u>
11.	Kentucky Jurisdictional Sales		<u>969,539,483</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 653,717</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: September 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 1,210,320.15	54,215,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	4,049.70		
	<u>\$ 1,214,369.85</u>	<u>54,215,000</u>	
Internal Replacement	\$ 35,243.50	1,628,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 35,243.50</u>	<u>1,628,000</u>	
Total Purchases	<u>\$ 1,249,613.35</u>	<u>55,843,000</u>	
Sales			
Internal Economy	\$ 442,442.92	20,229,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	728.51		
	<u>\$ 443,171.43</u>	<u>20,229,000</u>	
Internal Replacement	\$ 111,974.13	4,727,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 111,974.13</u>	<u>4,727,000</u>	
Total Sales	<u>\$ 555,145.56</u>	<u>24,956,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 442,442.92	20,229,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	728.51		
	<u>\$ 443,171.43</u>	<u>20,229,000</u>	
Internal Replacement	\$ 111,974.13	4,727,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 111,974.13</u>	<u>4,727,000</u>	
Total Purchases	<u>\$ 555,145.56</u>	<u>24,956,000</u>	
Sales			
Internal Economy	\$ 1,210,320.15	54,215,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	4,049.70		
	<u>\$ 1,214,369.85</u>	<u>54,215,000</u>	
Internal Replacement	\$ 35,243.50	1,628,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 35,243.50</u>	<u>1,628,000</u>	
Total Sales	<u>\$ 1,249,613.35</u>	<u>55,843,000</u>	

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

Expense Month: September 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	98,245
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	73,684
4.	Current Month True-up	OSS Page 3	\$	<u>(6,451)</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>67,233</u></u>
6.	Current Month S(m)	Form A Page 3		969,539,483
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00007

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

Expense Month: September 2017

Line No.

1.	Total OSS Revenues		\$	400,824
2.	Total OSS Expenses		\$	<u>302,579</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>98,245</u></u>

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

Expense Month: September 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>0.00003</u>
2.	KWH Billed at Above Rate			<u>1,029,441,870</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>30.883</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>1,244,480,113</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>1,244,480,113</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>-</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>37,334</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>(6,451)</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>969,539,483</u>
11.	Kentucky Jurisdictional Sales			<u>969,539,483</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>(6,451)</u>

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SEP 19 2017

PUBLIC SERVICE
COMMISSION

SEP 21 2017



Mr. John S. Lyons
Acting Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

SEP 21 2017

Louisville Gas and
Electric Company
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220 West Main Street
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Derek Rahn
Manager - Revenue
Requirement
T 502-627-4127
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derek.rahn@lge-ku.com

September 19, 2017

Dear Mr. Lyons:

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 October 2017 billing cycle which begins September 29, 2017.

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

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: August 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00357) / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u> -</u> / KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u> (0.00357)</u> / KWH

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

Effective Date for Billing: September 29, 2017

Submitted by



Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: August 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$27,046,330}{1,142,087,413 \text{ KWH}} = (+) \$ 0.02368 / \text{KWH}$$

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

FAC Factor (1) = \$ (0.00357) / KWH

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

Effective Date for Billing: September 29, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: August 2017

(A) Company Generation		
Coal Burned	(+) \$	21,810,608 (1)
Oil Burned	(+)	3,316 (1)
Gas Burned	(+)	4,031,926 (1)
Fuel (assigned cost during Forced Outage)	(+)	144,665
Fuel (substitute cost for Forced Outage)	(-)	155,473
SUB-TOTAL		<u>\$ 25,835,042</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	1,082,004
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	6,798
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	571,663
Internal Replacement	(+)	14,739
SUB-TOTAL		<u>\$ 1,661,608</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	27,055
Internal Economy	(+)	573,501
Internal Replacement	(+)	12,321
Dollars Assigned to Inter-System Sales Losses	(+)	135
SUB-TOTAL		<u>\$ 613,012</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13		<u>\$ (162,692)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 27,046,330</u></u>

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 = \$5,208
Oil burned = \$2
Gas burned = \$47

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month: August 2017

(A) Generation (Net)	(+)	1,185,800,000
Purchases including interchange-in	(+)	10,260,000
Internal Economy	(+)	24,045,000
Internal Replacement	(+)	525,000
SUB-TOTAL		<u>1,220,630,000</u>

(B) Inter-system Sales including interchange-out	(+)	1,006,000
Internal Economy	(+)	25,312,000
Internal Replacement	(+)	534,000
System Losses (1,193,778,000 KWH times 4.33%)	(+)	51,690,587
SUB-TOTAL		<u>78,542,587</u>

TOTAL SALES (A-B) 1,142,087,413

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: August 2017

1.	Last FAC Rate Billed		(0.00243)
2.	KWH Billed at Above Rate		<u>1,154,418,559</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (2,805,237)</u>
4.	KWH Used to Determine Last FAC Rate		- 1,087,467,208
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,087,467,208</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (2,642,545)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (162,692)</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>1,142,087,413</u>
11.	Kentucky Jurisdictional Sales		<u>1,142,087,413</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (162,692)</u>

To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: August 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 570,057.25	24,045,000	KU Fuel Cost - Sales to LGE Native Load
	1,605.54		Half of Split Savings
	<u>\$ 571,662.79</u>	<u>24,045,000</u>	
Internal Replacement	\$ 14,739.46	525,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 14,739.46</u>	<u>525,000</u>	
Total Purchases	<u>\$ 586,402.25</u>	<u>24,570,000</u>	
Sales			
Internal Economy	\$ 571,347.59	25,312,000	Fuel for LGE Sale to KU for Native Load
	2,153.54		Half of Split Savings to LGE from KU
	<u>\$ 573,501.13</u>	<u>25,312,000</u>	
Internal Replacement	\$ 12,320.81	534,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 12,320.81</u>	<u>534,000</u>	
Total Sales	<u>\$ 585,821.94</u>	<u>25,846,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 571,347.59	25,312,000	Fuel for LGE Sale to KU for Native Load
	2,153.54		Half of Split Savings to LGE from KU
	<u>\$ 573,501.13</u>	<u>25,312,000</u>	
Internal Replacement	\$ 12,320.81	534,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 12,320.81</u>	<u>534,000</u>	
Total Purchases	<u>\$ 585,821.94</u>	<u>25,846,000</u>	
Sales			
Internal Economy	\$ 570,057.25	24,045,000	KU Fuel Cost - Sales to LGE Native Load
	1,605.54		Half of Split Savings
	<u>\$ 571,662.79</u>	<u>24,045,000</u>	
Internal Replacement	\$ 14,739.46	525,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 14,739.46</u>	<u>525,000</u>	
Total Sales	<u>\$ 586,402.25</u>	<u>24,570,000</u>	

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

Expense Month: August 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	3,237
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	2,428
4.	Current Month True-up	OSS Page 3	\$	<u>669</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>3,097</u></u>
6.	Current Month S(m)	Form A Page 3		1,142,087,413
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00000

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

Expense Month: August 2017

Line No.

1.	Total OSS Revenues		\$	47,000
2.	Total OSS Expenses		\$	<u>43,763</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>3,237</u></u>

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

Expense Month: August 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>0.00001</u>
2.	KWH Billed at Above Rate			<u>1,154,418,559</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>11,544</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>1,087,467,208</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>1,087,467,208</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>-</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>10,875</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>669</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>1,142,087,413</u>
11.	Kentucky Jurisdictional Sales			<u>1,142,087,413</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>669</u>



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AUG 18 2017
PUBLIC SERVICE
COMMISSION

Mr. John S. Lyons
Acting Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

**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

August 18, 2017

Dear Mr. Lyons:

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 September 2017 billing cycle which begins August 30, 2017.

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

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: July 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00304) / 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>(0.00301)</u> / KWH

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

Effective Date for Billing: August 30, 2017

Submitted by



Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: July 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$30,129,221}{\text{Sales "Sm" (Sales Schedule)} \quad 1,244,480,113 \text{ KWH}} = (+) \$ 0.02421 / \text{KWH}$$

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

FAC Factor (1) = \$ (0.00304) / KWH

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

Effective Date for Billing: August 30, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: July 2017

(A) Company Generation		
Coal Burned	(+) \$	23,166,061 (1)
Oil Burned	(+)	1,648 (1)
Gas Burned	(+)	4,834,138 (1)
Fuel (assigned cost during Forced Outage)	(+)	103,046
Fuel (substitute cost for Forced Outage)	(-)	113,565
SUB-TOTAL		<u>\$ 27,991,328</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	1,196,989
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,034
Less Purchases Above Highest Cost Units	(-)	8,507
Internal Economy	(+)	977,070
Internal Replacement	(+)	31,507
SUB-TOTAL		<u>\$ 2,196,025</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	69,505
Internal Economy	(+)	472,399
Internal Replacement	(+)	32,200
Dollars Assigned to Inter-System Sales Losses	(+)	348
SUB-TOTAL		<u>\$ 574,452</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13		<u>\$ (516,320)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 30,129,221</u></u>

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 = \$5,257
Oil burned = \$1
Gas burned = \$39

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month: July 2017

(A) Generation (Net)	(+)	1,260,836,000
Purchases including interchange-in	(+)	23,038,000
Internal Economy	(+)	40,149,000
Internal Replacement	(+)	1,147,000
SUB-TOTAL		<u>1,325,170,000</u>

(B) Inter-system Sales including interchange-out	(+)	2,599,000
Internal Economy	(+)	20,131,000
Internal Replacement	(+)	1,227,000
System Losses (1,301,213,000 KWH times 4.36%)	(+)	56,732,887
SUB-TOTAL		<u>80,689,887</u>

TOTAL SALES (A-B) 1,244,480,113

LOUISVILLE GAS AND ELECTRIC COMPANY

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

Expense Month: July 2017

1.	Last FAC Rate Billed		(0.00252)
2.	KWH Billed at Above Rate		<u>1,165,421,643</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (2,936,863)</u>
4.	KWH Used to Determine Last FAC Rate		960,532,970
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>960,532,970</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (2,420,543)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (516,320)</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>1,244,480,113</u>
11.	Kentucky Jurisdictional Sales		<u>1,244,480,113</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (516,320)</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: July 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 972,676.95	40,149,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	4,393.11		
	<u>\$ 977,070.06</u>	<u>40,149,000</u>	
Internal Replacement	\$ 31,507.08	1,147,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 31,507.08</u>	<u>1,147,000</u>	
Total Purchases	<u>\$ 1,008,577.14</u>	<u>41,296,000</u>	
Sales			
Internal Economy	\$ 469,177.21	20,131,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	3,221.73		
	<u>\$ 472,398.94</u>	<u>20,131,000</u>	
Internal Replacement	\$ 32,200.21	1,227,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 32,200.21</u>	<u>1,227,000</u>	
Total Sales	<u>\$ 504,599.15</u>	<u>21,358,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 469,177.21	20,131,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	3,221.73		
	<u>\$ 472,398.94</u>	<u>20,131,000</u>	
Internal Replacement	\$ 32,200.21	1,227,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 32,200.21</u>	<u>1,227,000</u>	
Total Purchases	<u>\$ 504,599.15</u>	<u>21,358,000</u>	
Sales			
Internal Economy	\$ 972,676.95	40,149,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	4,393.11		
	<u>\$ 977,070.06</u>	<u>40,149,000</u>	
Internal Replacement	\$ 31,507.08	1,147,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 31,507.08</u>	<u>1,147,000</u>	
Total Sales	<u>\$ 1,008,577.14</u>	<u>41,296,000</u>	

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

Expense Month: July 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	21,356
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	16,017
4.	Current Month True-up	OSS Page 3	\$	<u>(51,222)</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>(35,205)</u></u>
6.	Current Month S(m)	Form A Page 3		1,244,480,113
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		-0.00003

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

Expense Month: July 2017

Line No.

1.	Total OSS Revenues		\$	134,387
2.	Total OSS Expenses		\$	<u>113,031</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>21,356</u></u>

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

Expense Month: July 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>(0.00025)</u>
2.	KWH Billed at Above Rate			<u>1,165,421,643</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>(291,355)</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>960,532,970</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>960,532,970</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>-</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>(240,133)</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>(51,222)</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>1,244,480,113</u>
11.	Kentucky Jurisdictional Sales			<u>1,244,480,113</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>(51,222)</u>



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PUBLIC SERVICE
COMMISSION

Mr. John S. Lyons
Acting Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
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Frankfort, Kentucky 40602

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July 21, 2017

Dear Mr. Lyons:

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 2017 billing cycle which begins August 1, 2017.

Due to an error in the reporting of coal burned at Trimble County Units 1 & 2 during the expense month of April, the FAC factor billed to customers in June (\$0.00276) was not correct. The Coal Mill Feeders that weigh the delivery of coal in total pounds per hour improperly reported the weight of the coal they were delivering to the unit. The corrected April FAC factor (\$0.00220) appears on Page 4, Line 7 and flows through the over or (under) recovery schedule calculation. Revised pages for the April expense month FAC filing that changed are attached with revised numbers highlighted.

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

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: June 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00243) / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u>(0.00001)</u> / KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u>(0.00242)</u> / KWH

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

Effective Date for Billing: August 1, 2017

Submitted by



Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: June 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$26,992,982}{1,087,467,208 \text{ KWH}} = (+) \$ 0.02482 / \text{KWH}$$

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

FAC Factor (1) = \$ (0.00243) / KWH

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

Effective Date for Billing: August 1, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: June 2017

(A) Company Generation		
Coal Burned	(+) \$	21,214,898 (1)
Oil Burned	(+)	58,083 (1)
Gas Burned	(+)	3,795,810 (1)
Fuel (assigned cost during Forced Outage)	(+)	644,964
Fuel (substitute cost for Forced Outage)	(-)	653,953
SUB-TOTAL		<u>\$ 25,059,802</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	1,088,431
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	4,669
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	895,126
Internal Replacement	(+)	45,657
SUB-TOTAL		<u>\$ 2,024,545</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	76,791
Internal Economy	(+)	1,182,602
Internal Replacement	(+)	12,084
Dollars Assigned to Inter-System Sales Losses	(+)	384
SUB-TOTAL		<u>\$ 1,271,861</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13		<u>\$ (1,180,496)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 26,992,982</u></u>

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 = \$4,095
Oil burned = \$38
Gas burned = \$47

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month: June 2017

(A) Generation (Net)	(+)	1,134,233,000
Purchases including interchange-in	(+)	16,283,000
Internal Economy	(+)	40,480,000
Internal Replacement	(+)	1,672,000
SUB-TOTAL		<u>1,192,668,000</u>
(B) Inter-system Sales including interchange-out	(+)	2,693,000
Internal Economy	(+)	51,843,000
Internal Replacement	(+)	495,000
System Losses (1,137,637,000 KWH times 4.41%)	(+)	50,169,792
SUB-TOTAL		<u>105,200,792</u>
TOTAL SALES (A-B)		<u><u>1,087,467,208</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

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

Expense Month: June 2017

1.	Last FAC Rate Billed		(0.00276)
2.	KWH Billed at Above Rate		<u>1,096,063,727</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (3,025,136)</u>
4.	KWH Used to Determine Last FAC Rate		838,472,683
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>838,472,683</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		(0.00220)
8.	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ (1,844,640)</u>
9.	Over or (Under) Recovery (See Note 1)	(Line 3 - Line 8)	<u>\$ (1,180,496)</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>1,087,467,208</u>
11.	Kentucky Jurisdictional Sales		<u>1,087,467,208</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (1,180,496)</u>
			<u>To Page 2, Line D</u>

Note 1: Due to an error in the reporting of coal burned at Trimble County Units 1 and 2 during the expense month of April, the FAC factor billed to customers in June (\$0.00276) was not correct. The coal mill feeders that weigh the delivery of coal in total pounds per hour improperly reported the weight of the coal they were delivering to the unit. The correct FAC factor should have been (\$0.00220) billed in June.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: June 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 893,735.14	40,480,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	1,390.51		
	<u>\$ 895,125.65</u>	<u>40,480,000</u>	
Internal Replacement	\$ 45,656.53	1,672,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 45,656.53</u>	<u>1,672,000</u>	
Total Purchases	<u>\$ 940,782.18</u>	<u>42,152,000</u>	
Sales			
Internal Economy	\$ 1,177,047.91	51,843,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	5,554.32		
	<u>\$ 1,182,602.23</u>	<u>51,843,000</u>	
Internal Replacement	\$ 12,084.35	495,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 12,084.35</u>	<u>495,000</u>	
Total Sales	<u>\$ 1,194,686.58</u>	<u>52,338,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 1,177,047.91	51,843,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	5,554.32		
	<u>\$ 1,182,602.23</u>	<u>51,843,000</u>	
Internal Replacement	\$ 12,084.35	495,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 12,084.35</u>	<u>495,000</u>	
Total Purchases	<u>\$ 1,194,686.58</u>	<u>52,338,000</u>	
Sales			
Internal Economy	\$ 893,735.14	40,480,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	1,390.51		
	<u>\$ 895,125.65</u>	<u>40,480,000</u>	
Internal Replacement	\$ 45,656.53	1,672,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 45,656.53</u>	<u>1,672,000</u>	
Total Sales	<u>\$ 940,782.18</u>	<u>42,152,000</u>	

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

Expense Month: June 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	9,574
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	7,181
4.	Current Month True-up	OSS Page 3	\$	<u>(18,031)</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>(10,850)</u></u>
6.	Current Month S(m)	Form A Page 3		1,087,467,208
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: June 2017

Line No.

1.	Total OSS Revenues		\$	121,794
2.	Total OSS Expenses		\$	<u>112,220</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>9,574</u></u>

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

Expense Month: June 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>(0.00007)</u>
2.	KWH Billed at Above Rate			<u>1,096,063,727</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>(76,724)</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>838,472,683</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>838,472,683</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>-</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>(58,693)</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>(18,031)</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>1,087,467,208</u>
11.	Kentucky Jurisdictional Sales			<u>1,087,467,208</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>(18,031)</u>

REVISED 7/21/17

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: April 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00220) / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u>0.00008</u> / KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u>(0.00228)</u> / KWH

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

Effective Date for Billing: June 1, 2017

Submitted by _____

Title: Manager, Revenue Requirement

REVISED 7/21/17

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: April 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$21,006,036}{838,472,683 \text{ KWH}} = (+) \$ 0.02505 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \$ (0.00220) / \text{KWH}$$

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

Effective Date for Billing: June 1, 2017

REVISED 7/21/17

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: April 2017

(A) Company Generation		
Coal Burned	(+) \$	15,513,959 (1)
Oil Burned	(+)	88,091 (1)
Gas Burned	(+)	4,592,460
Fuel (assigned cost during Forced Outage)	(+)	1,289,643
Fuel (substitute cost for Forced Outage)	(-)	1,433,761
SUB-TOTAL	\$	<u>20,050,392</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	1,076,268
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	6,083
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	977,365
Internal Replacement	(+)	88,158
SUB-TOTAL	\$	<u>2,135,708</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	336,252
Internal Economy	(+)	899,010
Internal Replacement	(+)	40,372
Dollars Assigned to Inter-System Sales Losses	(+)	1,681
SUB-TOTAL	\$	<u>1,277,315</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13	\$	<u>(97,251)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 21,006,036

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 = \$3,610

Oil burned = \$57



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JUN 20 2017

PUBLIC SERVICE
COMMISSION

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

JUN 21 2017

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

June 20, 2017

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 July 2017 billing cycle which begins June 30, 2017.

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

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: May 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00252) / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u>0.00025</u> / KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u>(0.00277)</u> / KWH

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

Effective Date for Billing: June 30, 2017

Submitted by  _____

Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: May 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$23,756,364}{960,532,970 \text{ KWH}} = (+) \$ 0.02473 / \text{KWH}$$

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

FAC Factor (1) = \$ (0.00252) / KWH

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

Effective Date for Billing: June 30, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: May 2017

(A) Company Generation		
Coal Burned	(+) \$	21,765,178 (1)
Oil Burned	(+)	5,059 (1)
Gas Burned	(+)	3,257,805 (1)
Fuel (assigned cost during Forced Outage)	(+)	288,006
Fuel (substitute cost for Forced Outage)	(-)	297,674
SUB-TOTAL		<u>\$ 25,018,374</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	659,411
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	3,146
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	289,247
Internal Replacement	(+)	238,369
SUB-TOTAL		<u>\$ 1,183,881</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	788,082
Internal Economy	(+)	1,674,022
Internal Replacement	(+)	62,503
Dollars Assigned to Inter-System Sales Losses	(+)	3,940
SUB-TOTAL		<u>\$ 2,528,547</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13	\$	<u>(82,656)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 23,756,364</u></u>

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 = \$5,440
Oil burned = \$3
Gas burned = \$51

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month: May 2017

(A) Generation (Net)	(+)	1,097,164,000
Purchases including interchange-in	(+)	(3,751,000)
Internal Economy	(+)	12,472,000
Internal Replacement	(+)	10,649,000
SUB-TOTAL		<u>1,116,534,000</u>
(B) Inter-system Sales including interchange-out	(+)	33,674,000
Internal Economy	(+)	76,587,000
Internal Replacement	(+)	2,791,000
System Losses (1,003,482,000 KWH times 4.28%)	(+)	42,949,030
SUB-TOTAL		<u>156,001,030</u>
TOTAL SALES (A-B)		<u><u>960,532,970</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: May 2017

1.	Last FAC Rate Billed		(0.00392)
2.	KWH Billed at Above Rate		<u>898,128,655</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (3,520,664)</u>
4.	KWH Used to Determine Last FAC Rate		877,042,812
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>877,042,812</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (3,438,008)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (82,656)</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>960,532,970</u>
11.	Kentucky Jurisdictional Sales		<u>960,532,970</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (82,656)</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: May 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 284,665.21	12,472,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	4,582.28		
	<u>\$ 289,247.49</u>	<u>12,472,000</u>	
Internal Replacement	\$ 238,369.26	10,649,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 238,369.26</u>	<u>10,649,000</u>	
Total Purchases	<u>\$ 527,616.75</u>	<u>23,121,000</u>	
Sales			
Internal Economy	\$ 1,660,697.40	76,587,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	13,324.30		
	<u>\$ 1,674,021.70</u>	<u>76,587,000</u>	
Internal Replacement	\$ 62,503.12	2,791,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 62,503.12</u>	<u>2,791,000</u>	
Total Sales	<u>\$ 1,736,524.82</u>	<u>79,378,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 1,660,697.40	76,587,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	13,324.30		
	<u>\$ 1,674,021.70</u>	<u>76,587,000</u>	
Internal Replacement	\$ 62,503.12	2,791,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-		
	<u>\$ 62,503.12</u>	<u>2,791,000</u>	
Total Purchases	<u>\$ 1,736,524.82</u>	<u>79,378,000</u>	
Sales			
Internal Economy	\$ 284,665.21	12,472,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	4,582.28		
	<u>\$ 289,247.49</u>	<u>12,472,000</u>	
Internal Replacement	\$ 238,369.26	10,649,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-		
	<u>\$ 238,369.26</u>	<u>10,649,000</u>	
Total Sales	<u>\$ 527,616.75</u>	<u>23,121,000</u>	

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

Expense Month: May 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	329,105
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	246,829
4.	Current Month True-up	OSS Page 3	\$	<u>(9,489)</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>237,340</u></u>
6.	Current Month S(m)	Form A Page 3		960,532,970
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00025

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

Expense Month: May 2017

Line No.

1.	Total OSS Revenues		\$ 1,368,230
2.	Total OSS Expenses		<u>\$ 1,039,125</u>
3.	Total OSS Margins	L. 1 - L. 2	<u><u>\$ 329,105</u></u>

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

Expense Month: May 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>(0.00045)</u>
2.	KWH Billed at Above Rate			<u>898,128,655</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>(404,158)</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>877,042,812</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>877,042,812</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>-</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>(394,669)</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>(9,489)</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>960,532,970</u>
11.	Kentucky Jurisdictional Sales			<u>960,532,970</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>(9,489)</u>



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Dr. Talina Mathews
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 22 2017

PUBLIC SERVICE
COMMISSION

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

May 22, 2017

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 June 2017 billing cycle which begins June 1, 2017.

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

Enclosure

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: April 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00276) / 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>(0.00283)</u> / KWH

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

Effective Date for Billing: June 1, 2017

Submitted by



Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: April 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$20,538,048}{838,472,683 \text{ KWH}} = (+) \$ 0.02449 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00276) / \text{KWH}}}$$

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

Effective Date for Billing: June 1, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: April 2017

<u>(A) Company Generation</u>		
Coal Burned	(+) \$	15,045,971 (1)
Oil Burned	(+)	88,091 (1)
Gas Burned	(+)	4,592,460
Fuel (assigned cost during Forced Outage)	(+)	1,289,643
Fuel (substitute cost for Forced Outage)	(-)	1,433,761
SUB-TOTAL	\$	<u>19,582,404</u>
<u>(B) Purchases</u>		
Net energy cost - economy purchases	(+) \$	1,076,268
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	6,083
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	977,365
Internal Replacement	(+)	88,158
SUB-TOTAL	\$	<u>2,135,708</u>
<u>(C) Inter-System Sales</u>		
Including Interchange-out	(+) \$	336,252
Internal Economy	(+)	899,010
Internal Replacement	(+)	40,372
Dollars Assigned to Inter-System Sales Losses	(+)	1,681
SUB-TOTAL	\$	<u>1,277,315</u>
<u>(D) Over or (Under) Recovery</u>		
From Page 4, Line 13	\$	<u>(97,251)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u>\$ 20,538,048</u>

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 = \$3,170
Oil burned = \$57

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: April 2017

1.	Last FAC Rate Billed		(0.00207)
2.	KWH Billed at Above Rate		<u>836,690,453</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (1,731,949)</u>
4.	KWH Used to Determine Last FAC Rate		789,709,351
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>789,709,351</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (1,634,698)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (97,251)</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>838,472,683</u>
11.	Kentucky Jurisdictional Sales		<u>838,472,683</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (97,251)</u>

To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month: April 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 974,605.11	42,572,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	<u>2,760.05</u>		
	\$ 977,365.16	<u>42,572,000</u>	
Internal Replacement			
	\$ 88,158.07	3,871,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-	0	
	<u>-</u>	<u>0</u>	
	\$ 88,158.07	<u>3,871,000</u>	
Total Purchases	<u>\$ 1,065,523.23</u>	<u>46,443,000</u>	
Sales			
Internal Economy			
	\$ 896,165.82	38,237,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	<u>2,844.14</u>		
	\$ 899,009.96	<u>38,237,000</u>	
Internal Replacement			
	\$ 40,372.24	1,624,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-	0	
	<u>-</u>	<u>0</u>	
	\$ 40,372.24	<u>1,624,000</u>	
Total Sales	<u>\$ 939,382.20</u>	<u>39,861,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 896,165.82	38,237,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	<u>2,844.14</u>		
	\$ 899,009.96	<u>38,237,000</u>	
Internal Replacement			
	\$ 40,372.24	1,624,000	Freed-up LGE Generation sold back to KU 0 LGE Generation for KU Pre-Merger Sales
	-	0	
	<u>-</u>	<u>0</u>	
	\$ 40,372.24	<u>1,624,000</u>	
Total Purchases	<u>\$ 939,382.20</u>	<u>39,861,000</u>	
Sales			
Internal Economy			
	\$ 974,605.11	42,572,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	<u>2,760.05</u>		
	\$ 977,365.16	<u>42,572,000</u>	
Internal Replacement			
	\$ 88,158.07	3,871,000	Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB
	-	0	
	<u>-</u>	<u>0</u>	
	\$ 88,158.07	<u>3,871,000</u>	
Total Sales	<u>\$ 1,065,523.23</u>	<u>46,443,000</u>	

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

Expense Month: April 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	90,662
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	67,997
4.	Current Month True-up	OSS Page 3	\$	<u>(7,517)</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u>60,480</u>
6.	Current Month S(m)	Form A Page 3		838,472,683
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00007

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

Expense Month: April 2017

Line No.

1.	Total OSS Revenues		\$	542,566
2.	Total OSS Expenses		\$	<u>451,904</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>90,662</u></u>

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

Expense Month: April 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>(0.00016)</u>
2.	KWH Billed at Above Rate			<u>836,690,453</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>(133,870)</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>789,709,351</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>789,709,351</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>-</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>(126,353)</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>(7,517)</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>838,472,683</u>
11.	Kentucky Jurisdictional Sales			<u>838,472,683</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>(7,517)</u>



Dr. Talina Mathews
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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Louisville Gas and
Electric Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

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PUBLIC SERVICE
COMMISSION

Derek Rahn
Manager - Revenue
Requirement
T 502-627-4127
F 502-217-4002
derek.rahn@lge-ku.com

April 21, 2017

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 May 2017 billing cycle which begins May 1, 2017.

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

Enclosure

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: March 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00392) / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u>0.00045</u> / KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u>(0.00437)</u> / KWH

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

Effective Date for Billing: May 1, 2017

Submitted by



Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: March 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$20,463,324}{877,042,812 \text{ KWH}} = (+) \$ 0.02333 / \text{KWH}$$

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

FAC Factor (1) = \$ (0.00392) / KWH

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

Effective Date for Billing: May 1, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: March 2017

(A) Company Generation		
Coal Burned	(+) \$	21,576,032 (1)
Oil Burned	(+)	3,066 (1)
Gas Burned	(+)	3,521,653
Fuel (assigned cost during Forced Outage)	(+)	337,002
Fuel (substitute cost for Forced Outage)	(-)	342,988
SUB-TOTAL		<u>\$ 25,094,765</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	1,300,659
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	323
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	1,454
Internal Replacement	(+)	718,106
SUB-TOTAL		<u>\$ 2,019,896</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	1,304,550
Internal Economy	(+)	5,358,596
Internal Replacement	(+)	1,502
Dollars Assigned to Inter-System Sales Losses	(+)	6,523
SUB-TOTAL		<u>\$ 6,671,171</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13		<u>\$ (19,834)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 20,463,324</u></u>

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 = \$3,313

Oil burned = \$2

LOUISVILLE GAS AND ELECTRIC COMPANY

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

Expense Month: March 2017

1.	Last FAC Rate Billed		0.00023
2.	KWH Billed at Above Rate		<u>844,685,805</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 194,278</u>
4.	KWH Used to Determine Last FAC Rate		930,921,760
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>930,921,760</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 214,112</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (19,834)</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>877,042,812</u>
11.	Kentucky Jurisdictional Sales		<u>877,042,812</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (19,834)</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: March 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 1,405.38	65,000	KU Fuel Cost - Sales to LGE Native Load
	48.38		Half of Split Savings
	<u>\$ 1,453.76</u>	<u>65,000</u>	
Internal Replacement	\$ 718,106.10	29,344,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 718,106.10</u>	<u>29,344,000</u>	
Total Purchases	<u>\$ 719,559.86</u>	<u>29,409,000</u>	
Sales			
Internal Economy	\$ 5,308,683.57	239,774,000	Fuel for LGE Sale to KU for Native Load
	49,912.83		Half of Split Savings to LGE from KU
	<u>\$ 5,358,596.40</u>	<u>239,774,000</u>	
Internal Replacement	\$ 1,502.13	65,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 1,502.13</u>	<u>65,000</u>	
Total Sales	<u>\$ 5,360,098.53</u>	<u>239,839,000</u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 5,308,683.57	239,774,000	Fuel for LGE Sale to KU for Native Load
	49,912.83		Half of Split Savings to LGE from KU
	<u>\$ 5,358,596.40</u>	<u>239,774,000</u>	
Internal Replacement	\$ 1,502.13	65,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 1,502.13</u>	<u>65,000</u>	
Total Purchases	<u>\$ 5,360,098.53</u>	<u>239,839,000</u>	
Sales			
Internal Economy	\$ 1,405.38	65,000	KU Fuel Cost - Sales to LGE Native Load
	48.38		Half of Split Savings
	<u>\$ 1,453.76</u>	<u>65,000</u>	
Internal Replacement	\$ 718,106.10	29,344,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 718,106.10</u>	<u>29,344,000</u>	
Total Sales	<u>\$ 719,559.86</u>	<u>29,409,000</u>	

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

Expense Month: March 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	474,067
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	355,550
4.	Current Month True-up	OSS Page 3	\$	<u>39,669</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>395,219</u></u>
6.	Current Month S(m)	Form A Page 3		877,042,812
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00045

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

Expense Month: March 2017

Line No.

1.	Total OSS Revenues		\$ 2,062,075
2.	Total OSS Expenses		<u>\$ 1,588,008</u>
3.	Total OSS Margins	L. 1 - L. 2	<u>\$ 474,067</u>

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

Expense Month: March 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>(0.00046)</u>
2.	KWH Billed at Above Rate			<u>844,685,805</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>(388,555)</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>930,921,760</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>930,921,760</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>-</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>(428,224)</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>39,669</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>877,042,812</u>
11.	Kentucky Jurisdictional Sales			<u>877,042,812</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>39,669</u>



a PPL company

Dr. Talina Mathews
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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MAR 20 2017

PUBLIC SERVICE
COMMISSION

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

March 20, 2017

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 April 2017 billing cycle which begins March 30, 2017.

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

MAR 20 2017

Sincerely,

Derek Rahn

Enclosure

LOUISVILLE GAS AND ELECTRIC COMPANY

SUMMARY OF ADJUSTMENT CLAUSES

Expense Month: February 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$ (0.00207) / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u>0.00016</u> / KWH
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u>(0.00223)</u> / KWH

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

Effective Date for Billing: March 30, 2017

Submitted by *Douglas O'Leary* [DOA]

Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: February 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$19,888,253}{789,709,351 \text{ KWH}} = (+) \$ 0.02518 / \text{KWH}$$

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

FAC Factor (1) = \$ (0.00207) / KWH

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

Effective Date for Billing: March 30, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: February 2017

(A) Company Generation		
Coal Burned	(+) \$	21,106,089 (1)
Oil Burned	(+)	19,320 (1)
Gas Burned	(+)	3,809,285
Fuel (assigned cost during Forced Outage)	(+)	761,556
Fuel (substitute cost for Forced Outage)	(-)	827,782
SUB-TOTAL		<u>\$ 24,868,468</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	1,163,419
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	22
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	-
Internal Replacement	(+)	59,383
SUB-TOTAL		<u>\$ 1,222,780</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	160,783
Internal Economy	(+)	5,844,415
Internal Replacement	(+)	-
Dollars Assigned to Inter-System Sales Losses	(+)	804
SUB-TOTAL		<u>\$ 6,006,002</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13		<u>\$ 196,993</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 19,888,253</u></u>

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 = \$4,247

Oil burned = \$28

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month: February 2017

(A) Generation (Net)	(+)	1,064,507,000
Purchases including interchange-in	(+)	30,950,000
Internal Economy	(+)	-
Internal Replacement	(+)	2,539,000
SUB-TOTAL		<u>1,097,996,000</u>

(B) Inter-system Sales including interchange-out	(+)	6,481,000
Internal Economy	(+)	264,421,000
Internal Replacement	(+)	-
System Losses (827,094,000 KWH times 4.52%)	(+)	37,384,649
SUB-TOTAL		<u>308,286,649</u>

TOTAL SALES (A-B) 789,709,351

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: February 2017

1.	Last FAC Rate Billed		(0.00129)
2.	KWH Billed at Above Rate		<u>816,374,264</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (1,053,123)</u>
4.	KWH Used to Determine Last FAC Rate		969,082,506
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>969,082,506</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (1,250,116)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 196,993</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>789,709,351</u>
11.	Kentucky Jurisdictional Sales		<u>789,709,351</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 196,993</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: February 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 59,383.23	2,539,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 59,383.23</u>	<u>2,539,000</u>	
Total Purchases	<u><u>\$ 59,383.23</u></u>	<u><u>2,539,000</u></u>	
Sales			
Internal Economy	\$ 5,834,483.83	264,421,000	Fuel for LGE Sale to KU for Native Load
	9,931.00		Half of Split Savings to LGE from KU
	<u>\$ 5,844,414.83</u>	<u>264,421,000</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>\$ 5,844,414.83</u></u>	<u><u>264,421,000</u></u>	

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 5,834,483.83	264,421,000	Fuel for LGE Sale to KU for Native Load
	9,931.00		Half of Split Savings to LGE from KU
	<u>\$ 5,844,414.83</u>	<u>264,421,000</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>\$ 5,844,414.83</u></u>	<u><u>264,421,000</u></u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 59,383.23	2,539,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 59,383.23</u>	<u>2,539,000</u>	
Total Sales	<u><u>\$ 59,383.23</u></u>	<u><u>2,539,000</u></u>	

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

Expense Month: February 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	22,688
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	17,016
4.	Current Month True-up	OSS Page 3	\$	<u>108,423</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>125,439</u></u>
6.	Current Month S(m)	Form A Page 3		789,709,351
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00016

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

Expense Month: February 2017

Line No.

1.	Total OSS Revenues		\$	213,814
2.	Total OSS Expenses		\$	<u>191,126</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>22,688</u></u>

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

Expense Month: February 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	(0.00071)
2.	KWH Billed at Above Rate			816,374,264
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	(579,626)
4.	KWH Used to Determine Last OSS Adjustment Factor			969,082,506
5.	Non-Jurisdictional KWH (Included in Line 4)			0
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		969,082,506
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)	\$	(688,049)
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	108,423
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			789,709,351
11.	Kentucky Jurisdictional Sales			789,709,351
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)	\$	108,423



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PUBLIC SERVICE
COMMISSION

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

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

February 17, 2017

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 March 2017 billing cycle which begins March 1, 2017.

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: January 2017

1	Fuel Adjustment Clause Factor (Page 1 of 5)	(+) \$	0.00023 / KWH
2	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$	<u>0.00046 / KWH</u>
3	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$	<u>(0.00023) / KWH</u>

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

Effective Date for Billing: March 1, 2017

Submitted by

Douglas M. Leitchy [DML]

Title: Manager, Revenue Requirement

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: January 2017

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$25,585,204}{930,921,760 \text{ KWH}} = (+) \$ 0.02748 / \text{KWH}$$

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

FAC Factor (1) = \$ 0.00023 / KWH

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

Effective Date for Billing: March 1, 2017

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month: January 2017

(A) Company Generation		
Coal Burned	(+) \$	25,712,231 (1)
Oil Burned	(+)	35,509 (1)
Gas Burned	(+)	4,394,792
Fuel (assigned cost during Forced Outage)	(+)	350,978 *
Fuel (substitute cost for Forced Outage)	(-)	342,135 *
SUB-TOTAL		<u>\$ 30,142,532</u>
(B) Purchases		
Net energy cost - economy purchases	(+) \$	1,738,110
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	- *
Less Purchases Above Highest Cost Units	(-)	-
Internal Economy	(+)	7,964
Internal Replacement	(+)	856,000
SUB-TOTAL		<u>\$ 2,602,074</u>
(C) Inter-System Sales		
Including Interchange-out	(+) \$	1,554,940
Internal Economy	(+)	6,049,122
Internal Replacement	(+)	6,593
Dollars Assigned to Inter-System Sales Losses	(+)	7,775
SUB-TOTAL		<u>\$ 7,618,430</u>
(D) Over or (Under) Recovery		
From Page 4, Line 13		<u>\$ (459,028)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 25,585,204</u></u>

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 = \$5,424
Oil burned = \$39

* 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

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

Expense Month: January 2017

1.	Last FAC Rate Billed		(0.00324)
2.	KWH Billed at Above Rate		<u>978,053,497</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (3,168,893)</u>
4.	KWH Used to Determine Last FAC Rate		836,378,037
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>836,378,037</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed		-
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (2,709,865)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (459,028)</u>
10.	Total Sales "Sm" (From Page 3 of 5)		<u>930,921,760</u>
11.	Kentucky Jurisdictional Sales		<u>930,921,760</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.00000000</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (459,028)</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month: January 2017

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$	7,770.97	339,000
		192.98	
	\$	<u>7,963.95</u>	<u>339,000</u>
Internal Replacement	\$	855,999.55	34,362,000
		-	0
		-	0
	\$	<u>855,999.55</u>	<u>34,362,000</u>
Total Purchases	\$	<u>863,963.50</u>	<u>34,701,000</u>
Sales			
Internal Economy	\$	5,998,728.13	270,022,000
		50,394.20	
	\$	<u>6,049,122.33</u>	<u>270,022,000</u>
Internal Replacement	\$	6,592.91	279,000
		-	0
	\$	<u>6,592.91</u>	<u>279,000</u>
Total Sales	\$	<u>6,055,715.24</u>	<u>270,301,000</u>

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$	5,998,728.13	270,022,000
		50,394.20	
	\$	<u>6,049,122.33</u>	<u>270,022,000</u>
Internal Replacement	\$	6,592.91	279,000
		-	0
	\$	<u>6,592.91</u>	<u>279,000</u>
Total Purchases	\$	<u>6,055,715.24</u>	<u>270,301,000</u>
Sales			
Internal Economy	\$	7,770.97	339,000
		192.98	
	\$	<u>7,963.95</u>	<u>339,000</u>
Internal Replacement	\$	855,999.55	34,362,000
		-	0
		-	0
	\$	<u>855,999.55</u>	<u>34,362,000</u>
Total Sales	\$	<u>863,963.50</u>	<u>34,701,000</u>

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

Expense Month: January 2017

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	588,547
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	441,410
4.	Current Month True-up	OSS Page 3	\$	<u>(12,751)</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>428,659</u></u>
6.	Current Month S(m)	Form A Page 3		930,921,760
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6		0.00046

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

Expense Month: January 2017

Line No.

1.	Total OSS Revenues		\$ 2,475,932
2.	Total OSS Expenses		<u>\$ 1,887,385</u>
3.	Total OSS Margins	L. 1 - L. 2	<u><u>\$ 588,547</u></u>

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

Expense Month: January 2017

Line No.

1.	Last OSS Adjustment Factor Billed		\$	<u>(0.00009)</u>
2.	KWH Billed at Above Rate			<u>978,053,497</u>
3.	OSS Adjustment Charge (Credit)	(Line 1 x Line 2)	\$	<u>(88,025)</u>
4.	KWH Used to Determine Last OSS Adjustment Factor			<u>836,378,037</u>
5.	Non-Jurisdictional KWH (Included in Line 4)			<u>0</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		<u>836,378,037</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed			<u>*</u>
8.	OSS Adjustment Charge (Credit) to be Collected (Distributed)	(Line 1 x Line 6)	\$	<u>(75,274)</u>
9.	(Over) or Under Amount	(Line 3 - Line 8)	\$	<u>(12,751)</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 5)			<u>930,921,760</u>
11.	Kentucky Jurisdictional Sales			<u>930,921,760</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)		<u>1.00000000</u>
13.	Total Company (Over) or Under Amount	(Line 9 x Line 12)	\$	<u>(12,751)</u>