

**KENTUCKY UTILITIES COMPANY**  
**ELECTRIC UTILITY REVENUES**  
**JUNE 30, 2005**

	CURRENT MONTH		YEAR TO DATE		YEAR ENDED CURRENT MONTH	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
<b>KENTUCKY ONLY</b>						
Residential Sales .....	27,934,054.81	22,965,029.21	158,383,342.69	138,117,846.31	302,011,105.25	269,392,982.88
Commercial Sales .....	22,545,969.05	16,587,371.97	106,797,745.99	90,654,716.59	212,421,208.27	183,756,847.86
Industrial Sales .....	23,618,904.74	16,064,286.66	103,959,996.77	88,758,176.95	204,454,835.44	178,778,848.16
Mine Power .....	2,413,203.59	1,623,981.65	12,877,200.47	9,962,490.73	24,226,379.78	19,883,784.46
Public Street and Highway Lighting .....	686,836.41	596,743.85	3,859,561.64	3,528,338.59	7,860,368.83	7,100,527.21
Other Sales to Public Authorities .....	6,677,923.31	5,116,783.41	31,003,761.30	26,278,409.30	61,999,479.49	53,742,318.96
Municipal Pumping .....	352,124.32	252,568.40	1,787,497.63	1,555,877.28	3,548,256.26	3,121,462.33
Rate Refunds .....	-	5,569,738.41	-	6,045,435.09	684,280.55	9,497,177.44
<b>Total Electric Revenue - Ultimate Consumers .....</b>	<b>84,229,016.23</b>	<b>68,776,503.56</b>	<b>418,669,106.49</b>	<b>364,901,290.84</b>	<b>817,205,913.87</b>	<b>725,273,949.30</b>
Sales for Resale .....	1,793,854.65	3,232,158.57	13,363,811.16	13,779,988.90	30,631,128.70	27,629,381.57
Intercompany Sales for Resale .....	5,898,152.67	2,998,733.15	48,779,669.32	31,160,766.02	80,426,470.51	54,480,905.75
Wholesale Sales .....	6,691,783.54	5,717,524.33	34,487,578.57	31,581,850.65	70,056,467.63	65,343,761.86
Brokered Revenues .....	1,623,980.19	2,175,961.16	6,629,366.19	7,595,494.77	14,275,644.21	20,399,686.26
Intercompany Brokered Revenues .....	-	-	-	87,355.38	13,044.95	100,442.31
Brokered Purchases .....	(1,285,445.85)	(1,916,628.00)	(6,128,672.49)	(7,863,073.19)	(14,611,025.35)	(34,698,296.41)
Miscellaneous Service Revenue .....	145,089.57	87,278.26	692,339.11	444,598.47	1,447,506.36	963,641.53
Rent from Electric Property .....	132,139.85	165,679.83	917,495.94	1,347,103.15	1,929,117.21	2,441,634.70
Other Electric Revenue .....	943,503.16	1,982,151.60	8,588,114.66	12,677,041.70	17,812,899.94	24,260,924.16
<b>Total Electric Operating Revenue .....</b>	<b>100,172,074.01</b>	<b>83,219,362.46</b>	<b>525,998,808.95</b>	<b>455,712,416.69</b>	<b>1,019,187,168.03</b>	<b>886,196,031.03</b>
<b>VIRGINIA ONLY</b>						
Residential Sales .....	1,294,726.52	1,416,220.63	11,891,121.73	11,962,878.56	21,817,536.41	22,315,969.00
Commercial Sales .....	920,330.86	929,269.11	5,286,977.03	5,396,183.05	10,543,334.18	10,776,181.43
Industrial Sales .....	171,571.27	120,096.27	582,765.21	653,848.50	1,235,657.86	1,297,994.29
Mine Power .....	976,653.36	908,592.65	5,402,678.86	5,309,259.69	10,485,368.51	10,199,217.94
Public Street and Highway Lighting .....	18,257.87	18,194.96	106,163.42	108,127.63	218,278.40	216,962.00
Other Sales to Public Authorities .....	326,504.76	310,347.10	2,094,708.24	1,902,723.21	3,891,317.20	3,590,957.24
Municipal Pumping .....	10,205.58	11,236.34	61,025.04	60,254.89	119,332.21	120,791.54
Rate Refunds .....	-	(440,407.00)	-	(1,433,330.00)	(545,672.00)	(2,168,889.00)
<b>Total Electric Revenue - Ultimate Consumers .....</b>	<b>3,718,250.22</b>	<b>3,273,550.06</b>	<b>25,425,439.53</b>	<b>23,959,945.53</b>	<b>47,765,152.77</b>	<b>46,349,184.44</b>
Miscellaneous Service Revenue .....	2,768.75	3,712.75	14,966.02	15,369.50	29,203.25	25,436.00
Rent from Electric Property .....	7,615.35	7,548.80	67,127.29	66,849.63	132,553.60	140,641.93
Other Electric Revenue .....	605.68	-	605.68	-	605.68	-
<b>Total Electric Operating Revenue .....</b>	<b>3,729,240.00</b>	<b>3,284,811.61</b>	<b>25,508,138.52</b>	<b>24,042,164.66</b>	<b>47,927,515.30</b>	<b>46,515,262.37</b>

MRMD  
Regulated Trading O&M  
Period Ending July 1, 2004 through June 30, 2005

	July - December <u>2004</u>	January - June <u>2005</u>	<u>Total</u>
0101 Labor	1,462,595	1,575,251	3,037,846
0175 Labor - accting JE	-	62,944	62,944
0779 Overheads not burdened	-	9,866	9,866
0790 Overheads not burdened	6,286	-	6,286
Total burdened labor	<u>1,468,881</u>	<u>1,648,061</u>	<u>3,116,942</u>
Brokered Trading Percentage			<u>5.90%</u>
Total Brokered Trading Expense			<u>183,900</u>
KU		57.7%	106,141
LG&E		42.3%	<u>77,758</u>
			<u>183,900</u>

	REVENUES	KWH	
KU	14,275,644	367,724,000	57.7%
LG&E	11,015,393	269,393,000	42.3%
TOTAL BROKERED	<u>25,291,038</u>	<u>637,117,000</u>	100.0%
KU	30,631,129	705,422,000	
LG&E	144,806,511	3,761,539,000	
TOTAL SALES FOR RESALE	<u>175,437,640</u>	<u>4,466,961,000</u>	
KU	44,906,773	1,073,146,000	
LG&E	155,821,904	4,030,932,000	
TOTAL BROKERED & SFR (EXCLUDES INTERCOMPANY)	<u>200,728,678</u>	<u>5,104,078,000</u>	
BROKERED TO TOTAL PERCENT	12.6%	12.5%	
STAFF TRADING PERCENTAGE		<u>47.0%</u>	
BROKERED TRADING PERCENTAGE		5.9%	

**Blake Exhibit 1**  
**Reference Schedule 1.22**  
**Sponsoring Witness: Valerie Scott**

**KENTUCKY UTILITIES**

**Adjustment to Eliminate Advertising Expenses  
Pursuant to Commission Rule 807 KAR 5:016  
For the Twelve Months Ended June 30, 2005**

1. Uniform System of Accounts - Account No. 930.1 General Advertising Expenses	\$ 179,269
2. Account No. 913 Advertising Expenses	<u>-</u>
3. Total	179,269
4. Kentucky Jurisdiction	<u>94.815%</u>
5. Kentucky Jurisdictional amount	<u>\$ 169,974</u>
6. Kentucky Jurisdictional adjustment	<u>\$ (169,974)</u>

**GL Amounts by Company, Product, and Account**

Period Name: 'JUN-2005, APR-2005, AUG-2004, DEC-2004, FEB-2005, JAN-2005, JUL-2004, MAR-2005, MAY-2005, NOV-2004, OCT-2004, SEP-2004', Company: '0110', Account: '930101'

	Period	Company	Product	Account	Period Net	Balance
1	APR-2005	0110	105	930101	0.00	12,325.00
2	AUG-2004	0110	105	930101	22,840.54	439,883.58
3	DEC-2004	0110	105	930101	34,255.14	569,665.69
4	FEB-2005	0110	105	930101	0.00	0.00
5	JAN-2005	0110	105	930101	0.00	0.00
6	JUL-2004	0110	105	930101	12,791.60	417,043.04
7	JUN-2005	0110	105	930101	0.00	13,855.00
8	MAR-2005	0110	105	930101	12,325.00	12,325.00
9	MAY-2005	0110	105	930101	1,530.00	13,855.00
10	NOV-2004	0110	105	930101	52,910.75	535,410.55
11	OCT-2004	0110	105	930101	37,304.22	482,499.80
12	SEP-2004	0110	105	930101	5,312.00	445,195.58
13	Sum				179,269.25	2,942,058.24

**Blake Exhibit 1**  
**Reference Schedule 1.30**  
**Sponsoring Witness: Valerie Scott**

**KENTUCKY UTILITIES**

**Adjustment to Reflect Normalized Storm Damage Expense**  
**For the Twelve Months Ended June 30, 2005**

1. Storm damage provision based upon six year average	\$ 2,076,957
2. Storm damage expenses incurred during the 12 months ended June 30, 2005	<u>2,673,000</u>
3. Total adjustment	(596,043)
4. Kentucky Jurisdiction	<u>93.930%</u>
5. Kentucky Jurisdictional adjustment	<u><u>\$ (559,863)</u></u>

Year	Expense *	CPI-All Urban	
		Consumers	Amount
2005	\$ 2,673,000	1.0000	\$ 2,673,000
2004	4,120,000	1.0296	4,241,952
2003	1,534,000	1.0571	1,621,591
2002	1,460,495	1.0812	1,579,087
2001	1,102,683	1.0982	1,210,966
2000	1,005,000	1.1295	<u>1,135,148</u>
Total			<u><u>\$ 12,461,744</u></u>
Six Year Average			<u><u>\$ 2,076,957</u></u>

\* NOTE: 2005 expenses are for the 12 months ended June 30, 2005.  
All other years expenses are for the calendar year. 2003 expenses exclude ice storm.

KU storm damage expenses are available for a six year period only.

**Distribution Operations  
 O&M Expenditures for Storm Work  
 2003 - June 2005  
 (000's)**

	2003	2004	Jun-2005	12 mon. Ended June, 2005
LGE	2,350	13,867	692	6,938
KU	8,034	4,120	1,054	2,673
<b>Total</b>	<b>10,384</b>	<b>17,987</b>	<b>1,746</b>	<b>9,611</b>
KU ICE	6,500	0	0	0
<b>KU NET OF ICE</b>	<b>1,534</b>	<b>4,120</b>	<b>1,054</b>	<b>2,673</b>

**Cummings, David**

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**From:** Brown, Roxane  
**it:** Friday, November 07, 2003 2:12 PM  
Cummings, David  
**Cc:** McDonald, Pam  
**Subject:** RE: Third quarter numbers - storm and vegetation management

These are the only ones I can find:

**Vegetation Management**

	KU	LG&E
2001	6,461,819	2,850,035
2002	7,564,520	3,247,215
2003 (9/30)	4,869,224	1,785,248
<b>Storms: O&amp;M</b> <b>2003</b>	<b>1,005,000 ✓</b>	<b>2,167,000 ✓</b>
2001	1,102,683 ✓	2,329,376 ✓
2002	1,460,495 ✓	2,465,175 ✓
2003 (9/30)	7,956,023 (A)	2,207,252

**Storms: Capital**

2001	489,541	602,961
2002	274,750	1,274,563
2003 (9/30)	3,374,101	1,312,791

Sorry about the other years but our reports are not in a format where I could get that information.

Roxane Brown  
Energy Delivery Budgeting  
(502) 627-4053

—Original Message—

**From:** Cummings, David  
**Sent:** Monday, November 03, 2003 11:34 AM  
**To:** Brown, Roxane  
**Subject:** RE: Third quarter numbers - storm and vegetation management

Roxane,

Scott has asked me to see if you guys can give us the whole dollar amount for storm damage and vegetation Management for 1999-2003.

Thanks  
David

—Original Message—

**From:** Brown, Roxane  
**Sent:** Monday, October 13, 2003 1:02 PM  
**To:** Cummings, David  
**Cc:** McDonald, Pam; Paciorek, Marcelo  
**Subject:** Third quarter numbers - storm and vegetation management

Here are the numbers you requested. Let me know if you have questions. Thanks.

Roxane Brown  
Energy Delivery Budgeting  
(502) 627-4053

<< File: VegMgmt-Cummings.xls >> << File: StormInfo-2003 3rd. Qtr..xls >>





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From: 1993 To: 2005

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Data extracted on: July 19, 2005 (1:55:14 PM)

**Consumer Price Index - All Urban Consumers**

Series Id: CUUR0000SA0  
Not Seasonally Adjusted  
Area: U.S. city average  
Item: All items  
Base Period: 1982-84=100

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
1993	142.6	143.1	143.6	144.0	144.2	144.4	144.4	144.8	145.1	145.7	145.8	145.8	144.5	143.7	145.3
1994	146.2	146.7	147.2	147.4	147.5	148.0	148.4	149.0	149.4	149.5	149.7	149.7	148.2	147.2	149.3
1995	150.3	150.9	151.4	151.9	152.2	152.5	152.5	152.9	153.2	153.7	153.6	153.5	152.4	151.5	153.1
1996	154.4	154.9	155.7	156.3	156.6	156.7	157.0	157.3	157.8	158.3	158.6	158.6	156.9	155.8	157.4
1997	159.1	159.6	160.0	160.2	160.1	160.3	160.5	160.8	161.2	161.6	161.5	161.3	160.5	159.9	161.1
1998	161.6	161.9	162.2	162.5	162.8	163.0	163.2	163.4	163.6	164.0	164.0	163.9	163.0	162.3	163.0
1999	164.3	164.5	165.0	166.2	166.2	166.2	166.7	167.1	167.9	168.2	168.3	168.3	166.6	165.4	167.0
2000	168.8	169.8	171.2	171.3	171.5	172.4	172.8	172.8	173.7	174.0	174.1	174.0	172.2	170.8	173.0
2001	175.1	175.8	176.2	176.9	177.7	178.0	177.5	177.5	178.3	177.7	177.4	176.7	177.1	176.6	177.4
2002	177.1	177.8	178.8	179.8	179.8	179.9	180.1	180.7	181.0	181.3	181.3	180.9	179.9	178.9	180.0
2003	181.7	183.1	184.2	183.8	183.5	183.7	183.9	184.6	185.2	185.0	184.5	184.3	184.0	183.3	184.0
2004	185.2	186.2	187.4	188.0	189.1	189.7	189.4	189.5	189.9	190.9	191.0	190.3	188.9	187.6	190.0
2005	190.7	191.8	193.3	194.6	194.4	194.5								193.2	

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**Blake Exhibit 1**  
**Reference Schedule 1.31**  
**Sponsoring Witness: Valerie Scott**

**KENTUCKY UTILITIES**

**Adjustment for Injuries and Damages FERC Account 925**  
**For the Twelve Months Ended June 30, 2005**

1. Injury/Damage provision based upon ten year average	\$ 2,532,904
2. Injury/Damage expenses incurred during the 12 months ended June 30, 2005	<u>1,171,514</u>
3. Adjustment	1,361,390
4. Kentucky Jurisdiction	<u>88.870%</u>
5. Kentucky Jurisdictional adjustment	<u><u>\$ 1,209,867</u></u>

Year	Amount *	CPI-All Urban Consumers	Adjusted Amount
2005	\$ 1,171,514	1.0000	\$ 1,171,514
2004	1,080,732	1.0296	1,112,722
2003	1,776,006	1.0571	1,877,416
2002	2,510,515	1.0812	2,714,369
2001	1,609,827	1.0982	1,767,912
2000	1,637,520	1.1295	1,849,579
1999	2,126,017	1.1675	2,482,125
1998	2,187,039	1.1933	2,609,794
1997	3,355,659	1.2118	4,066,388
1996	4,579,884	1.2396	<u>5,677,224</u>
Total			<u><u>\$ 25,329,043</u></u>
Ten Year Average			<u><u>\$ 2,532,904</u></u>

\* NOTE: 2005 expenses are for the 12 months ended June 30, 2005

**Leichty, Doug**

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**From:** Williams, Scott  
**Sent:** Thursday, July 14, 2005 10:42 AM  
**To:** Leichty, Doug  
**Subject:** FW: LGE/KU FERC 925 Charges

Updated 925 account analysis.

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**From:** Bush, Tom  
**Sent:** Thursday, July 14, 2005 9:38 AM  
**To:** Williams, Scott  
**Subject:** LGE/KU FERC 925 Charges

Scott,

Here it is for the 12 months ended 12/31/03, 12/31/04, and 06/30/05:

Company	Product	31-Dec-03	31-Dec-04	30-Jun-05
0100	Electric	1,303,019.36	1,326,433.19	1,802,099.28
0100	Gas	349,057.13	384,721.83	407,208.80
	<b>TOTALS</b>	<b>1,652,076.49</b>	<b>1,711,155.02</b>	<b>2,209,308.08</b>
0110	Electric	1,776,005.62	1,080,732.23	1,171,514.01

*LGE 1.19*  
*KU ✓ 7-14-05*  
*BTM*

Thanks,

**Thomas Bush**  
Financial Accounting & Reporting  
(502) 627-2517 phone  
(502) 627-3334 fax  
Tom.Bush@lgeenergy.com

2002

Acct\$PRODUCT	A\$Acct\$ACCOUNT	Period_Net SUM 0100	Period_Net SUM 0110
105	925001		545,844.90
105	925002		82,387.24
105	925003		-
105	925004		9,250.19
105	925005		-
105	925100		693,013.37
105	925902		1,114.62
111	925001	288,320.86	
111	925002	603,538.25	523,245.44
111	925003	17,692.44	
111	925004	60.00	8,377.77
111	925100	28,088.98	
111	925902	806.30	148.61
113	925001	-	
113	925002	-	
113	925003	-	
113	925100	-	
121	925001	18,271.72	
121	925002	11,421.11	17,705.60
121	925003	1,159.27	
121	925004	3.75	14,128.49
121	925100	1,756.47	
121	925902	54.24	21.11
122	925001	1,171,762.17	73,607.34
122	925002	171,341.19	241,679.94
122	925003	10,154.14	171,764.26
122	925004	27,826.75	119,552.14
122	925100	1,016,440.30	8,674.19
122	925902	346.00	
		<u>3,369,043.94</u>	<u>2,510,515.21</u>
131	925001	127,054.57	
131	925002	202,933.30	
131	925003	124.69	
131	925004	26.25	
131	925100	23,934.50	
131	925902	259.53	
		<u>354,332.84</u>	-

2001

Acct\$PRODUCT	A\$Acct\$ACCOUNT	Period_Net SUM 0100	Period_Net SUM 0110
105	925001		343,821.67
105	925002		47,258.46
105	925003		-
105	925004		7,257.39
105	925005		-
105	925100		57,440.99
105	925902		702.70
111	925001	283,781.89	
111	925002	59,689.18	465,885.25
111	925003	60,808.55	
111	925004	23.89	
111	925100	23,453.45	
111	925902	418.46	70.95
113	925001	-	
113	925002	-	
113	925003	-	
113	925100	-	
121	925001	22,407.13	
121	925002	3,800.13	15,280.21
121	925003	4,795.88	
121	925004	2.08	2,112.44
121	925100	1,586.29	
121	925902	44.04	31.78
122	925001	185,453.42	184,467.16
122	925002	22,462.32	230,311.29
122	925003	39,802.95	139,132.51
122	925004	1,932.68	110,219.03
122	925100	15,496.17	5,835.63
122	925902	221.50	
		<hr/>	<hr/>
		726,180.01	1,609,827.46
131	925001	250,906.04	
131	925002	26,316.77	
131	925003	14,552.68	
131	925004	10.39	
131	925100	31,977.61	
131	925902	147.58	
		<hr/>	<hr/>
		323,911.07	-

2000

Acct\$	PRODUCT	ASAcct\$	ACCOUNT	Period_Net SUM 0100	Period_Net SUM 0110
					613,987.50
105		925001			116,332.85
105		925002			470.96
105		925003			179,072.39
105		925004			-
105		925005			54,894.56
105		925100			
111		925001		298,116.68	
111		925002		234,007.45	194,320.07
111		925003		81,733.05	
111		925004		1,289.38	
111		925100		463,863.81	
113		925001		-	
113		925002		-	
113		925003		-	
113		925100		-	
121		925001		18,785.52	
121		925002		13,247.81	14,234.02
121		925003		5,245.77	
121		925004		80.57	1,802.34
121		925100		29,093.88	
122		925001		167,539.61	126,222.24
122		925002		116,493.58	187,417.42
122		925003		45,012.98	8,964.02
122		925004		15,185.55	139,801.28
122		925100		260,786.11	
				<u>1,750,481.75</u>	<u>1,637,519.65</u>
131		925001		222,592.91	
131		925002		89,559.33	
131		925003		6,223.86	
131		925004		590.95	
131		925100		451,469.17	
				<u>770,436.22</u>	-

1999			Period_Net SUM 0100	Period_Net SUM 0110
Acct\$	PRODUCT	Acct\$	ACCOUNT	
				1,093,914.10
105		925001		(35,197.59)
105		925002		864,876.63
105		925004		-
105		925005		23,258.02
105		925100		
111		925001	370,881.97	
111		925002	319,851.92	77,564.33
111		925003	31,098.30	
111		925100	480,921.44	
113		925001	-	
113		925002	-	
113		925003	-	
113		925100	-	
121		925001	29,863.63	
121		925002	21,714.04	6,212.19
121		925003	2,739.33	
121		925100	35,104.34	
122		925001	236,098.36	
122		925002	126,335.48	76,287.09
122		925003	24,558.71	
122		925004		19,102.06
122		925100	232,889.05	
			<u>1,912,056.57</u>	<u>2,126,016.83</u>
131		925001	520,255.13	
131		925002	116,265.53	
131		925003	9,343.37	
131		925100	402,418.98	
			<u>1,048,283.01</u>	-

1998		Period_Net SUM 0100	Period_Net SUM 0110
Acct\$PRODUCT	A\$Acct\$ACCOUNT		
105	925001		571,950.76
105	925002		638,362.75
105	925004		975,634.32
105	925005		-
105	925100		1,091.14
111	925001	194,238.51	
111	925002	95,389.41	
111	925003	10,773.57	
111	925100	114,622.81	
113	925001	332,940.02	
113	925002	228,767.85	
113	925003	39,509.54	
113	925100	324,345.97	
121	925001	16,622.81	
121	925002	7,657.48	
121	925003	879.22	
121	925100	10,643.18	
122	925001	143,508.60	
122	925002	38,297.74	
122	925003	7,095.51	
122	925100	101,676.65	
		<u>1,666,968.87</u>	<u>2,187,038.97</u>
131	925001	235,675.49	
131	925002	102,061.36	
131	925003	121,864.47	
131	925100	297,921.79	
		<u>757,523.11</u>	-





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**Consumer Price Index - All Urban Consumers**

Series Id:		CUURO000SA0													
Not Seasonally Adjusted															
Area:		U.S. city average													
Item:		All items													
Base Period:		1982-84=100													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
1993	142.6	143.1	143.6	144.0	144.2	144.4	144.4	144.8	145.1	145.7	145.8	145.8	144.5	143.7	145.3
1994	146.2	146.7	147.2	147.4	147.5	148.0	148.4	149.0	149.4	149.5	149.7	149.7	148.2	147.2	149.3
1995	150.3	150.9	151.4	151.9	152.2	152.5	152.5	152.9	153.2	153.7	153.6	153.5	152.4	151.5	153.2
1996	154.4	154.9	155.7	156.3	156.6	156.7	157.0	157.3	157.8	158.3	158.6	158.6	156.9	155.8	157.9
1997	159.1	159.6	160.0	160.2	160.1	160.3	160.5	160.8	161.2	161.6	161.5	161.3	160.5	159.9	161.2
1998	161.6	161.9	162.2	162.5	162.8	163.0	163.2	163.4	163.6	164.0	164.0	163.9	163.0	162.3	163.7
1999	164.3	164.5	165.0	166.2	166.2	166.2	166.7	167.1	167.9	168.2	168.3	168.3	166.6	165.4	167.8
2000	168.8	169.8	171.2	171.3	171.5	172.4	172.8	172.8	173.7	174.0	174.1	174.0	172.2	170.8	173.6
2001	175.1	175.8	176.2	176.9	177.7	178.0	177.5	177.5	178.3	177.7	177.4	176.7	177.1	176.6	177.5
2002	177.1	177.8	178.8	179.8	179.8	179.9	180.1	180.7	181.0	181.3	181.3	180.9	179.9	178.9	180.9
2003	181.7	183.1	184.2	183.8	183.5	183.7	183.9	184.6	185.2	185.0	184.5	184.3	184.0	183.3	184.6
2004	185.2	186.2	187.4	188.0	189.1	189.7	189.4	189.5	189.9	190.9	191.0	190.3	188.9	187.6	190.2
2005	190.7	191.8	193.3	194.6	194.4	194.5								193.2	

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**Blake Exhibit 1**  
**Reference Schedule 1.32**  
**Sponsoring Witness: Kent Blake**

**KENTUCKY UTILITIES**

**Adjustment to Reflect Representative Level of Off-System Sales Margins**  
**For the Twelve Months Ended June 30, 2005**

1. Off-System Sales margin based upon five year average	\$ 21,206,191
2. Off-System Sales margin incurred during the 12 months ended June 30, 2005	<u>33,196,139</u>
3. Adjustment	(11,989,948)
4. Kentucky Jurisdiction	<u>86.199%</u>
5. Kentucky Jurisdictional adjustment	<u><u>\$ (10,335,215)</u></u>

	OSS Revenue	OSS Expenses	MISO Net RSG Margin	OSS Margin
2005	126,903,290	89,155,933	4,551,218	33,196,139
2004	103,694,523	81,511,670		22,182,853
2003	85,624,402	67,451,694		18,172,708
2002	52,822,684	47,213,917		5,608,767
2001	100,816,905	73,946,416		26,870,489
Total				<u>\$ 106,030,956</u>
Five Year Average				<u><u>\$ 21,206,191</u></u>

NOTE: 2005 values are for the 12 months ended June 30, 2005.  
All other years values are for the calendar year.

Per Eric Raible

		2001			2002			2003			2004			Total
		LG&E	KU	Total	LG&E	KU	Total	LG&E	KU	Total	LG&E	KU	Total	
<b>Revenues</b>														
Total Wholesale Sales Revenue	(a)	\$159,405,694	\$146,639,887	\$306,045,581	\$143,001,645	\$82,212,256	\$225,213,901	\$192,804,392	\$101,124,311	\$293,928,703	\$197,991,879	\$109,195,774	\$307,187,653	
<b>Expenses</b>														
Intercompany Revenue		\$28,518,899	\$31,133,109	\$59,652,009	\$41,480,044	\$33,248,758	\$74,728,802	\$53,746,926	\$46,689,957	\$100,436,883	\$58,686,752	\$61,742,613	\$120,429,364	
Brokered Purchase Expense, \$		\$32,152,817	\$38,759,909	\$70,912,726	\$22,449,318	\$26,555,295	\$49,004,613	\$23,023,890	\$26,821,132	\$49,845,022	\$12,429,831	\$16,345,426	\$28,775,257	
Total Non-Brokered Purchase Power Expense, \$		\$5,775,884	\$4,630,231	\$10,406,116	\$6,249,525	\$1,793,073	\$8,042,598	\$6,474,046	\$1,497,058	\$7,971,105	\$3,857,773	\$184,016	\$4,141,788	
Total Generation Expense, \$		\$31,313,508	\$39,133,003	\$70,446,511	\$33,131,874	\$12,067,036	\$45,198,909	\$48,200,365	\$15,120,549	\$63,320,914	\$62,821,826	\$16,251,698	\$78,073,524	
Total Generation Expense, \$		\$15,568,369	\$424,528	\$15,992,898	\$12,437,284	\$601,830	\$13,039,114	\$9,092,693	\$150,082	\$9,242,775	\$8,138,438	\$352,004	\$8,490,442	
Impact of Lost ECR Revenues, \$		\$2,201,505	\$1,680,821	\$3,882,326	\$1,561,523	\$415,180	\$1,976,703	\$2,404,576	\$894,243	\$3,298,819	\$1,592,040	\$621,146	\$2,213,186	
3rd Party Transmission Expense or Other, \$		\$132,656	(\$175,460)	(\$42,804)	(\$114,110)	(\$114,903)	(\$229,013)	\$271,370	\$88,502	\$359,872	\$109,489	\$22,901	\$132,390	
Subtotal	(b)	\$115,663,639	\$115,586,142	\$231,249,782	\$117,195,458	\$74,566,268	\$191,761,726	\$143,213,866	\$91,261,523	\$234,475,390	\$147,736,149	\$95,518,803	\$243,255,851	
Pre Tax Contribution	(a) - (b)	\$43,742,055	\$31,053,745	\$74,795,799	\$25,806,187	\$7,645,988	\$33,452,175	\$49,590,526	\$9,862,788	\$59,453,314	\$50,255,730	\$13,675,972	\$63,931,702	
Less														
O&M Charged to OSS		\$2,466,980	\$1,843,391	\$4,310,371	\$2,139,913	\$503,322	\$2,643,235	\$2,555,150	\$608,825	\$3,163,976	\$2,589,034	\$575,192	\$3,164,225	
Impact of Lost ECR Revenues		\$1,381,001	\$1,045,257	\$2,426,258	\$1,149,004	\$293,734	\$1,442,739	\$2,404,576	\$894,243	\$3,298,819	\$1,592,040	\$621,146	\$2,213,186	
Generation for Losses, \$		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$512,551	\$174,995	\$687,546	
Subtotal	(c)	\$111,815,658	\$112,697,494	\$224,513,152	\$113,906,541	\$73,769,212	\$187,675,753	\$138,254,140	\$89,758,456	\$228,012,596	\$143,042,524	\$94,148,470	\$237,190,994	
Pre Tax Margin	(a) - (c)	\$47,590,036	\$33,942,393	\$81,532,429	\$29,095,104	\$8,443,044	\$37,538,148	\$54,550,252	\$11,365,855	\$85,916,108	\$54,949,355	\$15,047,304	\$89,996,659	
Brokered per books														
Revenues	(d)	\$38,820,044	\$45,822,982	\$84,643,026	\$24,919,449	\$29,389,572	\$54,309,021	\$22,613,679	\$26,593,323	\$49,207,002	\$11,675,789	\$15,342,173	\$27,017,962	
Expenses	(e)	\$32,152,817	\$38,751,078	\$70,903,895	\$22,448,718	\$26,555,295	\$49,004,013	\$23,022,504	\$26,835,223	\$49,857,727	\$12,429,831	\$16,345,426	\$28,775,257	
Subtotal		\$6,667,227	\$7,071,904	\$13,739,131	\$2,470,731	\$2,834,277	\$5,305,008	(\$408,825)	(\$241,900)	(\$650,725)	(\$754,042)	(\$1,003,253)	(\$1,757,285)	
OSS Less Brokered														
Revenues	(a) - (d)	\$120,585,650	\$100,816,905	\$221,402,555	\$118,082,196	\$52,822,684	\$170,904,880	\$170,190,713	\$74,530,988	\$244,721,701	\$186,316,090	\$93,853,601	\$280,169,691	
Expenses	(c) - (e)	\$79,662,841	\$73,946,416	\$153,609,257	\$91,457,823	\$47,213,917	\$138,671,740	\$115,231,636	\$62,923,233	\$178,154,869	\$130,612,693	\$77,803,044	\$208,415,737	
Net OSS Margin		\$40,922,809	\$26,870,489	\$67,793,298	\$26,624,373	\$5,608,767	\$32,233,140	\$54,959,077	\$11,607,755	\$66,566,833	\$55,703,397	\$16,050,557	\$71,753,954	
Transmission Revenues	(f)	\$0	\$0	\$0	\$0	\$0	\$0	\$5,670,771	\$11,093,414	\$16,764,185	\$5,256,224	\$9,840,922	\$15,097,146	
Transmission Expenses	(g)	\$0	\$0	\$0	\$0	\$0	\$0	\$17,559,224	\$4,528,461	\$22,087,685	\$17,189,266	\$3,708,626	\$20,897,892	
Total Revenue	(a) - (d) - (f)	\$120,585,650	\$100,816,905	\$221,402,555	\$118,082,196	\$52,822,684	\$170,904,880	\$175,861,484	\$85,624,402	\$261,485,886	\$191,572,314	\$103,694,523	\$295,266,837	
Total Expenses	(c) - (e) - (g)	\$79,662,841	\$73,946,416	\$153,609,257	\$91,457,823	\$47,213,917	\$138,671,740	\$132,790,860	\$67,451,694	\$200,242,554	\$147,801,959	\$81,511,670	\$229,313,629	
Total OSS Margin		\$40,922,809	\$26,870,489	\$67,793,298	\$26,624,373	\$5,608,767	\$32,233,140	\$43,070,624	\$18,172,708	\$61,243,333	\$43,770,355	\$22,182,853	\$65,953,208	

**OSS Margin Detail**  
**July 2004 through June 2005**  
**\$000s**

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Totals
<b>LG&amp;E</b>													
External OSS Revenues	19,242	17,959	17,377	8,663	11,873	8,705	8,556	6,836	9,807	12,428	9,861	13,500	144,807
Intercompany OSS Revenues	9,030	9,152	7,883	5,762	7,628	7,568	3,446	3,765	3,968	5,240	6,758	7,213	77,412
Transmission Revenues	457	288	367	(5)	1	0	472	254	281	495	382	368	3,359
MISO Day 2 Revenues	-	-	-	1,213	2,550	8,929	-	-	-	-	-	-	12,692
Subtotal	28,728	27,398	25,627	15,633	22,052	25,203	12,475	10,855	14,055	18,163	17,001	21,081	238,270
RSG Reclassification Adjustment	-	-	-	(1,062)	(1,357)	(4,309)	-	-	-	-	-	-	(6,728)
Total	28,728	27,398	25,627	14,572	20,694	20,894	12,475	10,855	14,055	18,163	17,001	21,081	231,542
<b>Purchased Power</b>													
Generation for I/C Sales	11,059	11,383	9,079	5,099	8,383	5,752	4,026	2,985	5,244	6,058	4,520	8,667	82,255
OSS Generation Expense	8,998	8,958	7,842	5,763	7,646	7,556	3,446	3,765	3,968	5,240	6,758	7,213	77,151
Transmission Expense	1,559	108	631	915	2,776	2,562	645	690	839	417	393	48	11,582
Subtotal	23,054	21,707	19,067	11,563	18,833	15,887	8,962	8,424	11,168	13,155	13,101	17,415	182,335
<b>LG&amp;E OSS Margin</b>	5,674	5,692	6,560	3,009	1,861	5,006	3,513	2,430	2,888	5,008	3,900	3,666	49,206
<b>KU</b>													
External OSS Revenues	4,872	1,615	4,100	330	654	1,794	2,090	1,139	3,921	7,923	591	1,604	30,631
Intercompany OSS Revenues	10,518	11,085	8,551	4,828	7,900	5,898	3,793	3,026	5,721	6,206	4,743	8,157	80,426
Transmission Revenues	935	592	754	(29)	1	0	235	510	572	1,008	770	745	6,094
MISO Day 2 Revenues	-	-	-	36	78	2,910	-	-	-	-	-	-	3,024
Subtotal	16,324	13,292	13,404	5,165	8,633	10,603	6,118	4,675	10,214	15,137	6,105	10,506	120,175
RSG Reclassification Adjustment	-	-	-	1,062	1,357	4,309	-	-	-	-	-	-	6,728
Total	16,324	13,292	13,404	6,227	9,990	14,911	6,118	4,675	10,214	15,137	6,105	10,506	126,903
<b>Purchased Power</b>													
Generation for I/C Sales	57	116	141	15	15	19	12	(11)	(35)	(228)	14	36	150
OSS Generation Expense	8,245	8,619	6,619	3,929	6,383	6,349	3,793	3,026	5,721	6,206	4,743	8,157	71,790
Transmission Expense	2,239	852	1,715	238	516	428	866	445	1,972	4,199	258	853	14,581
Subtotal	10,907	9,681	8,814	4,164	6,908	6,811	4,874	3,626	8,061	11,026	5,069	9,214	89,156
<b>KU OSS Margin</b>	5,418	3,611	4,590	2,063	3,082	8,100	1,244	1,049	2,153	4,111	1,036	1,292	37,747

**Blake Exhibit 1**  
**Reference Schedule 1.40**  
**Sponsoring Witness: Kent Blake**

**KENTUCKY UTILITIES**

**Adjustment to Annualize Year-End Customers**  
**At June 30, 2005**

1. Revenue adjustment	\$ 2,524,868
2. Expense adjustment	1,385,900
	<hr/>
3. Net adjustment	<u><u>\$ 1,138,968</u></u>

**KENTUCKY UTILITIES COMPANY**  
**Adjustment to Annualize Year-End Customers**

Rate Class	(1) Average Customers for 13 Months Ending 6-30-05	(2) Customers Served at 6-30-05	(3) Excess Year End Over Average (2) - (1)	(4) 12 Months Ended 6-30-05 kWh	(5) Average kWh per Customer (4) / (1)	(6) Year End kWh Adjustment (5) x (3)	(7) 12 Months Ended 6-30-05 Revenue	(8) Average Revenue per Customer (7) / [(1) x 12]	(9) Adjustment to Revenue (8) x (3) x 11
Residential									
RS	223,774	223,819	45	2,647,863,803	11,833	532,485	\$ 129,707,444	\$ 48.30	23,909
FERS	174,699	177,771	3,072	3,028,253,424	17,334	53,250,048	143,454,922	68.43	2,312,387
CWH	2,438	3	(2,435)	3,076,733	1,262	(3,072,970)	132,391	4.53	(121,336)
Sub-total	400,912	401,593	682	5,679,193,960	14,166	50,709,563	273,294,757	\$ 56.81	2,214,959
General Service									
GS-Secondary	72,197	73,773	1,576	1,293,146,344	17,911	28,227,736	77,582,779	89.55	1,552,439
GS-Primary	86	82	(4)	43,268,260	503,570	(2,014,280)	2,245,959	2,178.26	(95,843)
Sub-total	72,283	73,855	1,572	1,336,414,604	18,489	26,213,456	79,828,737	92.03	1,456,595
All Electric Schools	291	293	2	107,833,706	370,269	740,538	4,554,442	1,303.22	28,671
Large Power									
Secondary	11,169	10,706	(463)	4,115,263,184	368,469	(170,601,147)	174,378,691	1,301.12	(6,626,604)
Primary	340	357	17	1,702,198,898	5,012,137	85,206,329	60,673,457	14,887.79	2,784,017
Transmission	2	2	-	19,479,485	9,379,011	-	694,138	27,851.20	-
Sub-total	11,510	11,065	(446)	5,836,941,567	507,109	(85,394,818)	235,746,286	1,706.79	(3,842,587)
Large Commercial/Industrial Time of Day									
Primary	30	31	1	2,255,928,145	75,197,605	75,197,605	72,874,925	202,430.35	2,226,734
Transmission	6	6	-	757,052,395	129,495,804	-	23,858,525	340,088.63	-
Sub-total	36	37	1	3,012,980,540	84,053,105	75,197,605	96,733,450	224,881.05	2,226,734
Small Time of Day									
Secondary	44	48	4	109,315,028	2,490,722	9,962,888	3,634,363	6,900.69	303,630
Primary	-	-	-	-	-	-	-	-	-
Transmission	-	-	-	-	-	-	-	-	-
Sub-total	44	48	4	109,315,028	2,490,722	9,962,888	3,634,363	6,900.69	303,630
Mine Power									
Primary	23	24	1	127,106,060	5,601,284	5,601,284	5,371,214	19,724.80	216,973
Transmission	15	15	-	146,817,932	10,045,437	-	5,288,747	30,155.14	-
Sub-total	37	39	1	273,923,992	7,342,293	5,601,284	10,659,961	23,810.91	216,973
Large Mine Time of Day									
Primary	2	2	-	62,006,400	36,640,145	-	2,314,432	113,968.23	-
Transmission	3	3	-	124,223,385	41,407,795	-	4,589,526	127,486.83	-
Sub-total	5	5	-	186,229,785	39,688,315	-	6,903,958	122,611.27	-
Street Lighting	68,856	67,369	(1,487)	41,136,424	597	(887,739)	6,323,517	7.65	(125,131)
Decorative Street Lighting	4,825	4,624	(201)	2,146,122	445	(89,445)	649,749	11.22	(24,807)
Private Outdoor Lighting	26,505	26,820	315	28,763,824	1,085	341,775	3,176,863	9.99	34,615
Outdoor Lighting	53,829	54,257	428	45,635,734	848	362,944	4,828,801	7.48	35,216
Sub-total	154,016	153,070	(945)	117,682,104	764	(272,465)	14,978,930	8.10	(80,107)
Grand Total	639,134	640,005	871				\$ 726,334,884		\$ 2,524,868
Deduct Expenses at 54.89% Operating Ratio									(1,385,900)
Net Before Tax Adjustment to Operating Income									\$ 1,138,968
Determination of Operating Ratio:									
Total Operating Expenses (Ky retail jurisdiction only)				573,703,238					
Less Wages and Salaries				62,438,070					
Operating Expenses Net of Wages and Salaries				511,265,168					
Total Electric Operating Revenues (Kentucky retail jurisdiction only)				931,455,754					
Operating Ratio				54.89%					

**Blake Exhibit 1**  
**Reference Schedule 1.41**  
**Sponsoring Witness: Valerie Scott**

**KENTUCKY UTILITIES**

**Adjustment To Reflect Annualized Depreciation Expenses Under Current Rates**  
**At June 30, 2005**

1. Depreciation expense per books excluding ARO and post-1994 ECR	\$ 108,459,865
2. Annualized depreciation expense with current rates	<u>106,946,094</u>
3. Total Adjustment to reflect annualized depreciation expense	(1,513,771)
4. Kentucky Jurisdiction	<u>87.169%</u>
5. Kentucky Jurisdictional adjustment	<u>\$ (1,319,539)</u>

Kentucky Utilities Company  
Annualized Depreciation  
at of June 30, 2005

Property Group	Depreciable Balance 06-30-05		Current Rates Implemented 1-Jan-01	Depreciation Under Current Rates
<b>Intangible Plant</b>				
301 Organization	44,456	ND	0.00%	-
302 Franchises and Consents	83,453	ND	0.00%	-
303 Misc. Intangible Plant	26,071,150	NG	20.00%	5,214,230
<b>Total Intangible Plant</b>	<b>26,199,059</b>			<b>5,214,230</b>
<b>Steam Production Plant</b>				
Land	10,478,525	ND	0.00%	-
5621 Brown Unit 1	48,177,835		2.90%	1,397,157
5622 Brown Unit 2	43,118,906		2.88%	1,241,825
5623 Brown Unit 3	128,587,612		3.91%	5,027,776
5651 Ghent Unit 1	212,100,857		3.12%	6,617,547
5652 Ghent Unit 2	146,818,150		1.84%	2,701,454
5653 Ghent Unit 3	356,508,088		2.22%	7,914,480
5654 Ghent Unit 4	350,087,658		2.16%	7,561,893
5615 Green River Units 1&2	3,041,007		0.00%	-
5613 Green River Unit 3	19,184,301		1.94%	372,175
5614 Green River Unit 4	38,995,879		3.10%	1,208,872
5643 Pineville	226,833		2.28%	5,172
5604 Tyrone Units 1&2	6,604,851		0.00%	-
5603 Tyrone Unit 3	22,005,405		2.13%	468,715
5591 System Laboratory	3,033,819		4.22%	128,027
5659 Coal Cars	7,647,232	NG	4.59%	351,008
5650 Pollution Control Equipment	115,508,139		5.67%	6,549,311
<b>Total Steam Production Plant</b>	<b>1,512,125,096</b>			<b>41,545,412</b>
<b>Hydraulic Production Plant</b>				
Land	13,479	ND	0.00%	-
5691 Dix Dam	9,941,367		1.59%	158,068
5692 Lock # 7	840,028		2.46%	20,665
<b>Total Hydraulic Production Plant</b>	<b>10,794,875</b>			<b>178,732</b>
<b>Other Production Plant</b>				
Land	118,514	ND	0%	-
5696 Haefling	5,296,000		0.00%	-
5635 Brown CT 5	20,221,118		3.43%	693,584
5636 Brown CT 6	35,047,601		3.39%	1,188,114
5637 Brown CT 7	36,135,669		3.28%	1,185,250
5638 Brown CT 8	27,638,671		3.51%	970,117
5639 Brown CT 9	36,697,794		3.39%	1,244,055
5640 Brown CT 10	27,720,786		3.48%	964,683
5641 Brown CT 11	42,802,991		3.55%	1,519,506
5645 Brown CT 9 Gas Pipeline	8,282,540		3.39%	280,778
5697 Paddy's Run Generator 13	30,033,176		3.43%	1,030,138
0470 Trimble County CT 5	39,664,616		3.43%	1,360,496
0471 Trimble County CT 6	39,702,866		3.43%	1,361,808
0473 Trimble County CT Pipeline	4,843,964		3.43%	166,148
0474 Trimble County CT 7	32,612,346		3.43%	1,118,603
0475 Trimble County CT 8	32,483,325		3.43%	1,114,178
0476 Trimble County CT 9	32,555,530		3.43%	1,116,655
0477 Trimble County CT 10	32,522,238		3.43%	1,115,513
<b>Total Other Production Plant</b>	<b>484,379,744</b>			<b>16,429,628</b>
<b>Transmission Plant</b>				
350 1 Land Rights	23,341,271		1.34%	312,773
350 2 Land	1,162,528		ND	-
352 Structures and Improvements	7,946,442		2.65%	210,591
353 1 Station Equipment	168,968,371		2.21%	3,734,201
353 2 Syst Control/Microwave Equip	14,749,281		6.18%	911,506
354 Towers & Fixtures	63,564,555		2.84%	1,805,233
355 Poles & Fixtures	84,789,378		4.03%	3,417,012
356 Overhead Conductors and Devices	127,487,808		3.25%	4,143,354
357 Underground Conduit	448,760		2.01%	9,020
358 Underground Conductors & Devices	1,114,762		3.52%	39,240
359 Transmission ARO's	0			-
<b>Total Transmission Plant</b>	<b>493,573,156</b>			<b>14,582,919</b>



Kentucky Utilities Company  
Annualized Depreciation  
at of June 30, 2005

Property Group	Depreciable Balance 06-30-05	Current Rates Implemented 1-Jan-01	Depreciation Under Current Rates
<b>Distribution Plant</b>			17,073
360.1 Land Rights	1,497,658	1.14%	-
360.2 Land	1,743,861 ND	0.00%	78,341
361 Structures and Improvements	4,145,049	1.89%	2,201,565
362 Station Equipment	98,284,167	2.24%	6,434,257
364 Poles Towers & Fixtures	182,791,380	3.52%	5,284,313
365 Overhead Conductors and Devices	174,977,264	3.02%	30,141
366 Underground Conduit	1,722,324	1.75%	2,111,660
367 Underground Conductors & Devices	64,184,183	3.29%	5,408,857
368 Line Transformers	224,433,917	2.41%	3,115,664
369 Services	83,084,375	3.75%	1,777,625
370 Meters	63,714,176	2.79%	1,145,397
371 Installations on Customer Premises	18,267,898	6.27%	2,038,347
373 Street Lighting & Signal Systems	52,944,080	3.85%	29,643,242
<b>Total Distribution Plant</b>	<b>971,780,331</b>		
<b>General Plant</b>	2,811,101 ND	0.00%	-
389.2 Land	30,702,662	1.76%	540,367
390.1 Structures & Improvements	756,079	0.00%	-
390.2 Improvements to Leased Property	6,687,013	5.82%	389,184
391.1 Office Furniture & Equipment	15,435,276	20.00%	3,087,055
391.2 Non PC Computer Equipment	817,575	10.00%	81,757
391.3 Cash Processing Equipment	3,576,856	33.33%	1,192,166
391.4 Personal Computer Equipment	23,834,694	20.00%	4,766,939
392 Transportation Equipment	684,597	2.87%	19,648
393 Stores Equipment	5,194,658	2.74%	142,334
394 Tool, Shop & Garage Equipment	3,256,281	3.16%	102,898
395 Laboratory Equipment	300,901	3.56%	10,712
396 Power Operated Equipment	14,722,797	3.55%	522,659
397 Communication Equipment	372,087	5.19%	19,311
398 Misc Equipment	109,152,578		10,875,032
<b>Total General Plant</b>	<b>3,608,014,839</b>		
<b>TOTAL PLANT excluding ARO Assets</b>	<b>8,608,030</b>		
ARO assets excluded from Plant in service			
<b>Total Plant in Service</b>	<b>3,616,622,869</b>		118,469,194
<b>Total Annual Depreciation</b>			
<b>Less Amounts not Included in Income Statement Depreciation</b>			351,008
Coal Cars			280,778
Brown Gas Pipeline			166,148
TC Gas Pipeline			4,766,939
Account 139200 Transportation Equipment			5,564,873
<b>Subtotal</b>			<b>5,958,228</b>
<b>Less ECR Depreciation</b>			<b>106,946,094</b>
<b>Total Annualized Depreciation</b>			
<b>Pro Forma Depreciation Adjustment</b>			109,384,104
Twelve months ended 6/30/05 per books			5,990,003
Depreciation			(208,552)
Amortization			(6,705,690)
Less: Depreciation SFAS 143 Assets			108,459,865
Less Depreciation of ECR Assets			106,946,094
<b>Annualized Depreciation under current rates</b>			<b>(1,513,771)</b>

(1) Adjustment due to annualizing current rates

Kentucky Utilities Company  
ARO Assets included in Plant in Service

	Underlying Assets	ARO Asset	Total ARO Related Assets
5591 System Lab	0.00	1,190.00	1,190.00
5603 Tyrone 3	654,962.34	107,290.00	762,252.34
5604 Tyrone 1&2	1,610.73	880.00	2,490.73
5614 Green River 4	156,526.75	3,330.00	159,856.75
5615 Green River 1&2	410,346.67	962,000.00	1,372,346.67
5621 Brown 1	13,283,191.90	3,047,460.00	16,330,651.90
5623 Brown 3	94,409.88	15,570.00	109,979.88
5639 Brown CT 9	424,021.64	69,360.00	493,381.64
5641 Brown CT 11		1,630.00	1,630.00
5650 Ghent 1 SO2	9,792,715.17	250,280.00	10,042,995.17
5651 Ghent 1	193,317.43	188,370.00	381,687.43
5652 Ghent 2	185,151.21	310.00	185,461.21
5654 Ghent 4	16,592,387.57	3,956,760.00	20,549,147.57
TRANSMISSION - 135310	18,974,987.31		18,974,987.31
TRANSMISSION - 135910		3,600.00	3,600.00
	<u>60,763,628.60</u>	<u>8,608,030.00</u>	<u>69,371,658.60</u>

Kentucky Utilities Company  
AROP and AROC Original Cost

Company	Facility	Asset Number	Plant Acct	Cost
0110	5591	LABBRAROC	131700	1,190.00
<b>System Lab - Child</b>			<b>131700 Total</b>	1,190.00
0110	5603	101197AROP	131100	15,060.54
0110	5603	101251AROP	131100	1,457.52
<b>Tyrone 3 - Parent</b>			<b>131100 Total</b>	16,518.06
0110	5603	101281AROP	131200	575,455.72
0110	5603	122567AROP	131200	2,048.12
<b>Tyrone 3 - Parent</b>			<b>131200 Total</b>	577,503.84
0110	5603	101358AROP	131400	60,940.44
<b>Tyrone 3 - Parent</b>			<b>131400 Total</b>	60,940.44
0110	5603	101197AROC	131700	520.00
0110	5603	101251AROC	131700	430.00
0110	5603	101281AROC	131700	82,770.00
0110	5603	101358AROC	131700	4,580.00
0110	5603	122567AROC	131700	18,590.00
0110	5603	MERCYAROC	131700	70.00
0110	5603	PIPTYAROC	131700	330.00
<b>Tyrone 3 - Child</b>			<b>131700 Total</b>	107,290.00
0110	5604	100858AROP	131200	1,610.73
<b>Tyrone 1&amp;2 - Parent</b>			<b>131200 Total</b>	1,610.73
0110	5604	100858AROC	131700	880.00
<b>Tyrone 1&amp;2 - Child</b>			<b>131700 Total</b>	880.00
0110	5614	132623AROP	131100	98,051.42
<b>Green River 4 - Parent</b>			<b>131100 Total</b>	98,051.42
0110	5614	103939AROP	131200	58,475.33
<b>Green River 4 - Parent</b>			<b>131200 Total</b>	58,475.33
0110	5614	103939AROC	131700	1,130.00
0110	5614	132623AROC	131700	1,900.00
0110	5614	HAZGRAROC	131700	200.00
0110	5614	MERCGRAROC	131700	70.00
0110	5614	NUCGRAROC	131700	30.00
<b>Green River 4 - Child</b>			<b>131700 Total</b>	3,330.00
0110	5615	102983AROP	131100	152,243.76
0110	5615	103022AROP	131100	29,437.83
<b>Green River 1&amp;2 Parent</b>			<b>131100 Total</b>	181,681.59
0110	5615	103234AROP	131200	205,868.82
0110	5615	1706389AROP	131200	22,796.26
<b>Green River 1&amp;2 Parent</b>			<b>131200 Total</b>	228,665.08
0110	5615	102983AROC	131700	946,440.00
0110	5615	103022AROC	131700	8,730.00
0110	5615	103234AROC	131700	580.00
0110	5615	1706389AROC	131700	6,250.00
<b>Green River 1&amp;2 Child</b>			<b>131700 Total</b>	962,000.00
0110	5621	101524AROP	131100	75,015.23
<b>Brown 1 - Parent</b>			<b>131100 Total</b>	75,015.23
0110	5621	114424AROP	131200	13,208,176.67
<b>Brown 1 - Parent</b>			<b>131200 Total</b>	13,208,176.67
0110	5621	101524AROC	131700	1,510.00
0110	5621	114424AROC	131700	3,041,280.00
0110	5621	COALBRAROC	131700	4,670.00
<b>Brown 1 - Child</b>			<b>131700 Total</b>	3,047,460.00
0110	5623	132682AROP	131100	85,362.37
<b>Brown 3 - Parent</b>			<b>131100 Total</b>	85,362.37
0110	5623	102462AROP	131200	9,047.51
<b>Brown 3 - Parent</b>			<b>131200 Total</b>	9,047.51
0110	5623	102462AROC	131700	9,910.00
0110	5623	132682AROC	131700	3,480.00
0110	5623	PIBBRAROC	131700	1,120.00
0110	5623	RADBRAROC	131700	1,060.00
<b>Brown 3 - Child</b>			<b>131700 Total</b>	15,570.00
0110	5639	114355AROP	134200	424,021.64
<b>Brown CT 9 - Parent</b>			<b>134200 Total</b>	424,021.64
0110	5639	114355AROC	134700	69,360.00
0110	5641	PIP2BRAROC	134700	1,630.00
<b>Brown CT 9 - Child</b>			<b>134700 Total</b>	69,360.00
0110	5650	133299AROP	131200	9,792,715.17
<b>Brown CT 11 - Child</b>			<b>131200 Total</b>	9,792,715.17
0110	5650	133299AROC	131700	250,280.00
<b>Ghent 1 SO2 - Parent</b>			<b>131700 Total</b>	250,280.00
0110	5651	104329AROP	131100	74,967.60
0110	5651	104352AROP	131100	23,299.41
<b>Ghent 1 Parent</b>			<b>131100 Total</b>	98,267.01
0110	5651	104400AROP	131200	95,050.42
<b>Ghent 1 Parent</b>			<b>131200 Total</b>	95,050.42
0110	5651	104329AROC	131700	186,610.00
0110	5651	104352AROC	131700	770.00
0110	5651	104400AROC	131700	990.00
<b>Ghent 1 Child</b>			<b>131700 Total</b>	188,370.00
0110	5652	104973AROP	131200	185,151.21
<b>Ghent 2 Parent</b>			<b>131200 Total</b>	185,151.21
0110	5652	104973AROC	131700	310.00
<b>Ghent 2 Child</b>			<b>131700 Total</b>	310.00
0110	5654	105544AROP	131200	48,018.91

Kentucky Utilities Company  
AROP and AROC Original Cost

0110	5654	133391AROP	131200	16,544,368.66
Ghent 4 Parent			<b>131200 Total</b>	16,592,387.57
0110	5654	105544AROC	131700	1,170.00
0110	5654	133391AROC	131700	3,938,990.00
0110	5654	RADGHAROC	131700	16,600.00
Ghent 4 Child			<b>131700 Total</b>	3,956,760.00
			<b>Grand Total</b>	50,393,071.29

Company	Facility	Asset Number	Plant Acct	Cost
0110	5635	1763547AROP	135310	933,000.00
0110	T009	045084AROP	135310	219,568.53
0110	T009	045085AROP	135310	168,758.50
0110	T009	045207AROP	135310	220,263.33
0110	T009	045281AROP	135310	691,268.96
0110	T065	051476AROP	135310	33,622.06
0110	T065	051477AROP	135310	33,622.07
0110	T065	051478AROP	135310	33,622.06
0110	T065	051480AROP	135310	24,100.71
0110	T065	051481AROP	135310	24,100.71
0110	T065	051482AROP	135310	24,100.71
0110	T065	051486AROP	135310	184,187.16
0110	T065	051487AROP	135310	36,468.24
0110	T117	058941AROP	135310	283,272.59
0110	T117	059009AROP	135310	231,171.50
0110	T152	062433AROP	135310	600,432.47
0110	T165	063991AROP	135310	2,109,842.77
0110	T165	064114AROP	135310	639,635.42
0110	T165	064115AROP	135310	869,693.72
0110	T165	1732720AROP	135310	2,481,837.47
0110	T165	1732740AROP	135310	4,301,009.46
0110	T227	114313AROP	135310	875,400.43
0110	T227	123128AROP	135310	946,726.87
0110	T227	137939AROP	135310	921,294.17
0110	T227	137940AROP	135310	940,073.23
0110	T227	142246AROP	135310	575,468.31
0110	T227	142247AROP	135310	572,445.86
TRANSMISSION - 135310				18,974,987.31
0110	T009	045084AROC		160.00
0110	T009	045085AROC		150.00
0110	T009	045207AROC		120.00
0110	T009	045281AROC		1,250.00
0110	T165	063991AROC		220.00
0110	T165	064114AROC		210.00
0110	T165	064115AROC		200.00
0110	T165	1732720AROC		600.00
0110	T165	1732740AROC		690.00
TRANSMISSION - 135910				3,600.00
<b>Grand Total</b>				<b>18,978,587.31</b>

Kentucky Utilities Company  
Environmental Surcharge Depreciation  
Post -1994 Plan  
Period Ended June 30, 2005

				<u>Current Rates</u>	<u>Dep Amount</u>
	<u>Facility</u>	<u>Project</u>	<u>In Service Amount</u>		
GH4 NOX BASELINE 97	GH 4	24756	4,551,149	2.16%	98,305
GH2 LO NOX RETRO 95	GH 2	23037	5,224,392	1.84%	96,129
NOX Compliance	KU Nox		215,034,085	Various	5,414,991
New Ash Storage	Chent		16,148,295	2.16%	348,803
 <b>Annualized Depreciation Post 1994 Plan</b>					<b>5,958,228</b>
<b>Monthly Amount</b>					<b>496,519</b>
 Depreciation Per ECR Filings					
	July-04				16,203
	August-04				16,203
	September-04				16,203
	October-04				16,203
	November-04				16,203
	December-04				431,967
	December-04				3,226,958
	January-05				475,533
	February-05				500,330
	March-05				500,330
	April-05				496,519
	May-05				496,519
	June-05				496,519
<b>Total Per ECR Filings</b>					<b>6,705,690</b>

Blake Exhibit 1  
Reference Schedule 1.42  
Sponsoring Witness: Valerie Scott  
Page 1 of 4

**KENTUCKY UTILITIES**

**Adjustment to Reflect Increases in Labor and Labor-Related Costs  
As Applied to the Twelve Months Ended June 30, 2005**

1. Wages (Page 2)	\$ 762,917
2. Payroll Taxes (Page 3)	57,455
3. 401(k) (Page 4)	17,852
4. Total	<u>838,224</u>
5. Kentucky Jurisdiction	88.870%
6. Kentucky Jurisdictional adjustment	<u>\$ 744,930</u>

**Blake Exhibit 1**  
**Reference Schedule 1.42**  
**Sponsoring Witness: Valerie Scott**  
**Page 2 of 4**

**KENTUCKY UTILITIES**

**Adjustment to Reflect Increases in Labor and Labor-Related Costs**  
**As Applied to the Twelve Months Ended June 30, 2005**

	Operating	Construction/ Other	Total
1. Labor for 12 months ended June 30, 2005:			
2. Base	\$ 34,913,287	\$ 15,247,133	\$ 50,160,420
3. Overtime and Premium	7,485,286	1,914,085	9,399,371
4. TIA	3,451,058	1,281,655	4,732,713
5. Total Labor	<u>\$ 45,849,631</u>	<u>\$ 18,442,873</u>	<u>\$ 64,292,504</u>
6. Total Operating and Construction/Other %	71.3%	28.7%	100.0%
7. Annualized base labor at June 30, 2005:		<u>Employees</u>	
8. Union		150	\$ 8,029,091
9. Exempt		130	9,418,760
10. Non-Exempt/Hourly		<u>649</u>	<u>33,421,284</u>
11. Total Annualized Labor		929	50,869,135
12. Union Wage increase effective August 2005 (Line 8 x 3.5%)			281,018
13. Union Overtime/Premiums (a)			2,052,442
14. Union wage increase applied to union overtime/premiums (Line 13 x 3.5%)			71,835
15. Non-Exempt/Hourly Overtime/Premium (a)			7,346,929
16. TIA - Exempt/Non-Exempt/Union (a)			4,732,713
17. Union wage increase applied to union TIA (Sum of Lines 12 and 14 x 6%)			<u>21,171</u>
18. Total Annualized Labor			<u><u>\$ 65,375,243</u></u>
19. Operating Labor for 12 months ended June 30, 2005			\$ 45,849,631
20. Operating Labor based on annualized labor \$ 65,375,243                      x                      71.3%			<u>46,612,548</u>
21. Labor Adjustment Total			<u><u>\$ 762,917</u></u>

(a) Represents actual numbers taken from the Company's financial records for the 12 months ended June 30, 2005.

Blake Exhibit 1  
Reference Schedule 1.42  
Sponsoring Witness: Valerie Scott  
Page 3 of 4

**KENTUCKY UTILITIES**

**Adjustments to Reflect Increases in Payroll Taxes  
As Applied to the Twelve Months Ended June 30, 2005**

1. Operating Labor increase (Page 2 Line 21)	\$ 762,917
2. Percentage of wages that do not exceed Social Security (OASDI) limit	<u>98.08%</u>
3. Operating Labor increase subject to Social Security tax	<u>\$ 748,269</u>
4. Medicare Tax (Line 1 x 1.45%)	\$ 11,062
5. Social Security Tax (Line 3 x 6.2%)	<u>46,393</u>
6. Payroll Tax adjustment	<u>\$ 57,455</u>



**Blake Exhibit 1**  
**Reference Schedule 1.42**  
**Sponsoring Witness: Valerie Scott**  
**Page 4 of 4**

**KENTUCKY UTILITIES**

**Adjustment to Reflect Increases in Company Match of 401(k)**  
**As Applied to the Twelve Months Ended June 30, 2005**

1. Direct total payroll for 12 months ended 06/30/05 (Page 2 Line 5)	\$ 64,292,504
2. Total 401(k) Company Match for 12 months ended 06/30/05	<u>1,504,773</u>
3. 401(k) Company Match as a percent of payroll	2.34%
4. Operating Labor increase (Page 2 Line 21)	<u>762,917</u>
5. 401(k) Company Match operating increase (Line 3 x Line 4)	<u><u>\$ 17,852</u></u>

**KU Base Calculations:**

Operating	
KU charging KU O&M	29,229,761.37
Vacation	2,597,025.04
Holiday	1,484,877.69
Sick	1,249,409.68
Other	352,214.03
	<u>34,913,287.81</u>

Construction/Other	
KU charging KU Other Accounts	20,399,359.40 ✓
KU charging Other Companies Total Labor	531,299.64
Vacation	(2,597,025.04)
Holiday	(1,484,877.69)
Sick	(1,249,409.68)
Other	(352,214.03)
	<u>15,247,132.60</u>

**Overtime and Premium Calculations:**

Operating	
KU charging KU O&M	7,485,285.86
	<u>7,485,285.86</u>

Construction/Other	
KU charging KU Other Accounts	1,497,176.62
KU charging Other Companies Total Labor	416,908.53
	<u>1,914,085.15</u>

**TIA Calculations:**

Operating	
KU charging KU O&M	3,451,058.08
	<u>3,451,058.08</u>

Construction/Other	
TIA in Other Accounts	(3,556,557.71)
TIA Clearing	(4,838,212.67)
	<u>1,281,654.96</u>

**KU Charging KU  
Labor + TIA  
O&M**

Expenditure Type	Period Net SUM	
0101	4,815,047.41	base
0110	4,568,571.41	base
0115	1,114,500.42	OT
0117	355,621.25	DT
0120	4,550,785.40	base
0125	416,975.28	OT
0130	15,259,951.83	base
0135	4,062,865.58	OT
0140	1,314,320.03	DT
0145	35,405.32	base
0150	9,034.66	OT
0155	212,124.28	DT
0160	-155.64	OT
0165	0.00	
0170	0.00	
0175	0.00	
0180	3,451,058.08	
0185	40,166,105.31	

OT Premium = 7,485,285.86  
Base = 29,229,761.37

**KU Charging KU  
Labor + TIA  
Non-O&M**

Expenditure Type	Period Net SUM	
0101	4,553,559.17	base
0110	3,483,483.29	base
0111	178,128.03	OT
0112	93,125.21	DT
0113	1,881,994.17	base
0114	33,914.38	OT
0115	10,480,322.77	base
0116	684,870.28	OT
0117	455,802.30	DT
0118	0.00	
0119	0.00	
0120	51,336.42	DT
0121	0.00	
0122	0.00	
0123	0.00	
0124	0.00	
0125	0.00	
0126	-3,556,243.94	
0127	18,340,292.08	

OT Premium = 1,497,176.62  
Base = 20,399,359.40

**KU Charging All Companies  
Labor + TIA  
Total**

Expenditure Type	Period Net SUM	
0101	9,428,515.20	base
0110	8,054,600.94	base
0111	1,301,698.69	OT
0112	484,614.86	DT
0120	6,658,597.56	base
0121	494,303.45	OT
0125	25,983,301.39	base
0126	4,844,556.90	OT
0127	1,999,190.57	DT
0130	35,405.32	base
0131	9,034.66	OT
0132	266,127.52	DT
0133	-155.64	DT
0134	0.00	
0150	0.00	
0191	0.00	
0720	-1,099.29	
<b>Sum</b>	<b>59,558,692.13</b>	

Total OT: Perm. Jik  
 and charging KU O&M  
 KU charging and Non O&M  
 KU chg Other Co. Total Labor  
 OT Perm

9,399,371.01  
 <7,485,285.86>  
 <1,497,176.62>  
 -----  
 416,908.53

Total Base  
 KU charging KU O&M  
 KU charging KU Non O&M  
 KU chg Other Co. Total Labor  
 Base

50,160,420.41  
 <29,229,761.37>  
 <20,399,359.40>  
 -----  
 531,299.64

**KU Charging KU  
 Base Labor  
 Other**

$70.3 \times 3,597,025.04 = 11,484,877.69$   
 $70.3 \times 1,249,409.68 = 87,820.03$   
 $352,214.03$   
5,683,526.44

Period No	SUM
107003	9,418,536.71
108903	599,130.97
109003	0.00
110003	11,288.36
111003	3,172.83
112003	1,022,074.24
113003	29,586.17
114003	3,694,203.47
115003	2,115,210.38
116003	1,777,254.17
117003	506,782.77
118003	0.00
119003	0.00
120003	0.00
121003	0.00
122003	1,199,408.12
123003	16,764.86
124003	3,692.29
125003	2,254.06
126003	20,399,359.40
Sum	

## KU

Category	Exp Type	Operating	Construction/Other	Totals
Labor	0101	4,815,047.41	4,553,559.17	9,368,606.58
Labor	0110	4,568,589.09	3,483,465.61	8,052,054.70
Labor	0111 <i>bu</i>	1,114,500.42	178,128.03	1,292,628.45
Labor	0112 <i>bu</i>	355,621.25	93,125.21	448,746.46
Labor	0120	4,551,193.40	1,881,586.17	6,432,779.57
Labor	0121	416,975.28	33,914.38	450,889.66
Labor	0125	15,261,780.21	10,478,494.39	25,740,274.60
Labor	0126	4,063,881.44	683,854.42	4,747,735.86
Labor	0127	1,314,320.03	455,802.30	1,770,122.33
Labor	0130	35,405.32	0.00	35,405.32
Labor	0131	9,034.66	0.00	9,034.66
Labor	0145 <i>bu</i>	212,124.28	51,336.42	263,460.70
Labor	0146	(155.64)	0.00	(155.64)
Labor	0175	(1,849,313.71)	(3,274,858.41)	(5,124,172.12)
		<b>34,869,003.44</b>	<b>18,618,407.69</b>	<b>53,487,411.13</b>
		<b>7,486,301.72</b>	<b>1,496,160.76</b>	<b>8,982,462.48</b>
		<b>(1,849,313.71)</b>	<b>(3,274,858.41)</b>	<b>(5,124,172.12)</b>
		29,232,015.43	20,397,105.34	49,629,120.77
TIA	0720	3,451,371.85	(3,556,557.71)	(105,185.86)
TIA - CI			(4,838,212.67)	
TIA- BS			1,281,654.96	

Kentucky Utilities Hourly

Report for Company : 110

As of Date: 6/30/2005

<u>Years of Service</u>	<u>Number of Employees</u>	<u>Total Actual Pay</u>	<u>Cummulative Annual Pay</u>	<u>Average Annual Pay</u>
0	9	\$359,216.00	359,216.00	\$39,912.89
1	9	\$419,515.20	778,731.20	\$46,612.80
2	9	\$430,996.80	1,209,728.00	\$47,888.53
3	46	\$2,228,200.00	3,437,928.00	\$48,439.13
4	20	\$956,488.00	4,394,416.00	\$47,824.40
5	1	\$55,972.80	4,450,388.80	\$55,972.80
6	24	\$1,272,627.20	5,723,016.00	\$53,026.13
7	1	\$55,972.80	5,778,988.80	\$55,972.80
8	2	\$111,945.60	5,890,934.40	\$55,972.80
9	3	\$141,086.40	6,032,020.80	\$47,028.80
10	18	\$973,398.40	7,005,419.20	\$54,077.69
11	16	\$870,001.60	7,875,420.80	\$54,375.10
12	31	\$1,657,073.60	9,532,494.40	\$53,453.99
13	25	\$1,380,808.00	10,913,302.40	\$55,232.32
14	30	\$1,651,624.00	12,564,926.40	\$55,054.13
15	18	\$1,005,284.80	13,570,211.20	\$55,849.16
16	29	\$1,609,420.80	15,179,632.00	\$55,497.27
17	20	\$1,077,710.40	16,257,342.40	\$53,885.52
18	22	\$1,208,480.00	17,465,822.40	\$54,930.91
19	30	\$1,659,486.40	19,125,308.80	\$55,316.21
20	28	\$1,575,163.20	20,700,472.00	\$56,255.83
21	27	\$1,551,700.80	22,252,172.80	\$57,470.40
22	18	\$1,011,628.80	23,263,801.60	\$56,201.60
23	29	\$1,624,500.80	24,888,302.40	\$56,017.27
24	18	\$995,841.60	25,884,144.00	\$55,324.53
25	22	\$1,268,321.60	27,152,465.60	\$57,650.98
26	23	\$1,288,102.40	28,440,568.00	\$56,004.45
27	23	\$1,331,283.20	29,771,851.20	\$57,881.88
28	10	\$573,601.60	30,345,452.80	\$57,360.16
29	11	\$638,310.40	30,983,763.20	\$58,028.22
30	7	\$413,212.80	31,396,976.00	\$59,030.40
31	8	\$463,715.20	31,860,691.20	\$57,964.40
32	1	\$55,972.80	31,916,664.00	\$55,972.80
33	2	\$117,707.20	32,034,371.20	\$58,853.60
34	1	\$58,177.60	32,092,548.80	\$58,177.60
35	1	\$48,817.60	32,141,366.40	\$48,817.60
36	4	\$226,553.60	32,367,920.00	\$56,638.40
40	1	\$55,972.80	32,423,892.80	\$55,972.80
<b>Total Employees</b>	<b>597</b>			



Kentucky Utilities Nonexempt

Report for Company : 110

As of Date: 6/30/2005

<u>Years of Service</u>	<u>Number of Employees</u>	<u>Total Actual Pay</u>	<u>Cummulative Annual Pay</u>	<u>Average Annual Pay</u>
0	1	\$40,000.00	40,000.00	\$40,000.00
1	1	\$37,260.00	77,260.00	\$37,260.00
3	7	\$253,940.00	331,200.00	\$36,277.14
4	6	\$233,420.00	564,620.00	\$38,903.33
5	4	\$145,600.00	710,220.00	\$36,400.00
6	6	\$208,690.00	918,910.00	\$34,781.67
8	2	\$63,750.00	982,660.00	\$31,875.00
9	1	\$30,170.00	1,012,830.00	\$30,170.00
10	2	\$77,970.00	1,090,800.00	\$38,985.00
11	2	\$69,080.00	1,159,880.00	\$34,540.00
12	7	\$254,070.00	1,413,950.00	\$36,295.71
13	5	\$195,850.00	1,609,800.00	\$39,170.00
14	4	\$175,570.00	1,785,370.00	\$43,892.50
15	4	\$146,550.00	1,931,920.00	\$36,637.50
16	11	\$482,270.00	2,414,190.00	\$43,842.73
17	7	\$333,230.00	2,747,420.00	\$47,604.29
18	9	\$388,560.00	3,135,980.00	\$43,173.33
19	13	\$673,540.00	3,809,520.00	\$51,810.77
20	8	\$301,650.00	4,111,170.00	\$37,706.25
21	9	\$370,843.00	4,482,013.00	\$41,204.78
22	5	\$212,360.00	4,694,373.00	\$42,472.00
23	10	\$428,610.00	5,122,983.00	\$42,861.00
24	12	\$615,670.00	5,738,653.00	\$51,305.83
25	13	\$639,510.00	6,378,163.00	\$49,193.08
26	9	\$405,089.00	6,783,252.00	\$45,009.89
27	13	\$635,870.00	7,419,122.00	\$48,913.08
28	4	\$220,970.00	7,640,092.00	\$55,242.50
29	6	\$321,750.00	7,961,842.00	\$53,625.00
30	5	\$233,730.00	8,195,572.00	\$46,746.00
31	2	\$106,550.00	8,302,122.00	\$53,275.00
32	5	\$313,320.00	8,615,442.00	\$62,664.00
33	2	\$88,650.00	8,704,092.00	\$44,325.00
34	1	\$69,900.00	8,773,992.00	\$69,900.00
35	1	\$40,190.00	8,814,182.00	\$40,190.00
36	3	\$119,310.00	8,933,492.00	\$39,770.00
39	2	\$92,990.00	9,026,482.00	\$46,495.00
<b>Total Employees</b>	<b>202</b>			

## Kentucky Utilities Exempt

Report for Company : 110

As of Date: 6/30/2005

<u>Years of Service</u>	<u>Number of Employees</u>	<u>Total Actual Pay</u>	<u>Cummulative Annual Pay</u>	<u>Average Annual Pay</u>
1	1	\$70,070.00	70,070.00	\$70,070.00
2	4	\$279,280.00	349,350.00	\$69,820.00
3	5	\$352,730.00	702,080.00	\$70,546.00
4	1	\$58,420.00	760,500.00	\$58,420.00
5	1	\$75,550.00	836,050.00	\$75,550.00
10	2	\$147,770.00	983,820.00	\$73,885.00
12	4	\$315,290.00	1,299,110.00	\$78,822.50
13	8	\$568,650.00	1,867,760.00	\$71,081.25
14	4	\$275,920.00	2,143,680.00	\$68,980.00
15	3	\$140,780.00	2,284,460.00	\$46,926.67
16	3	\$233,890.00	2,518,350.00	\$77,963.33
17	5	\$376,510.00	2,894,860.00	\$75,302.00
18	4	\$297,920.00	3,192,780.00	\$74,480.00
19	7	\$459,980.00	3,652,760.00	\$65,711.43
20	2	\$148,920.00	3,801,680.00	\$74,460.00
21	2	\$128,010.00	3,929,690.00	\$64,005.00
22	5	\$358,480.00	4,288,170.00	\$71,696.00
23	6	\$375,040.00	4,663,210.00	\$62,506.67
24	5	\$333,110.00	4,996,320.00	\$66,622.00
25	10	\$717,640.00	5,713,960.00	\$71,764.00
26	8	\$568,510.00	6,282,470.00	\$71,063.75
27	4	\$246,200.00	6,528,670.00	\$61,550.00
28	8	\$612,960.00	7,141,630.00	\$76,620.00
29	5	\$377,070.00	7,518,700.00	\$75,414.00
30	3	\$225,410.00	7,744,110.00	\$75,136.67
31	7	\$525,960.00	8,270,070.00	\$75,137.14
32	5	\$365,720.00	8,635,790.00	\$73,144.00
34	1	\$87,020.00	8,722,810.00	\$87,020.00
36	3	\$222,200.00	8,945,010.00	\$74,066.67
40	1	\$82,560.00	9,027,570.00	\$82,560.00
<b>Total Employees</b>	<b>127</b>			

Kentucky Utilities Senior Management

Report for Company : 110

As of Date: 6/30/2005

<u>Years of Service</u>	<u>Number of Employees</u>	<u>Total Actual Pay</u>	<u>Cummulative Annual Pay</u>	<u>Average Annual Pay</u>
12	1	\$109,320.00	109,320.00	\$109,320.00
16	1	\$136,820.00	246,140.00	\$136,820.00
26	1	\$145,050.00	391,190.00	\$145,050.00
<b>Total Employees</b>	<b>3</b>			

As of Date: 6/30/2005  
 Company: 110

Estimated Vacation Liability Report  
 Bargaining Union

8/29/2005

Department	EMPLID	Position	Grade	Years	Vacation Weeks
<i>Total:</i>					

<b>Grand Total for Company</b>	<b>110</b>
<i>Total:</i>	<b>899</b>
<i>Total Part Time:</i>	<b>0.00</b>
<i>Total Full Time:</i>	<b>899.00</b>

3,644,252.00

$$\begin{array}{r}
 31 \times 5 = 155 \\
 24 \times 4 = 216 \\
 28 \times 3 = 84 \\
 27 \times 2 = 54 \\
 9 \times 1 = 9 \\
 1 \times 0 = 0 \\
 \hline
 150 \text{ employees} \qquad 518
 \end{array}$$

$$\begin{array}{l}
 533,214 \div 518 \div 40 = 25.734 \times 2080 = 53,527 \\
 53,527.27 \times 150 = 8,029,091.12
 \end{array}$$

31  
2005/11

**Leichty, Doug**

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**From:** Coffey, Kathy  
**Sent:** Monday, August 01, 2005 9:14 AM  
**To:** Leichty, Doug  
**Cc:** Conrad, Teresa; Williams, Scott  
**Subject:** RE: Labor Adjustment RE: VDT Filing Analysis

Total 401(k) company match for the 12 months ended June <sup>3</sup>~~20~~, 2005

LG&E 1,223,355.19  
KU 1,504,772.68

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**From:** Conrad, Teresa  
**Sent:** Monday, August 01, 2005 8:17 AM  
**To:** Coffey, Kathy  
**Subject:** FW: Labor Adjustment RE: VDT Filing Analysis

Kathy - Did you receive this request last week? If not, can you provide this information for Doug?

---

**From:** Leichty, Doug  
**Sent:** Wednesday, July 27, 2005 9:46 AM  
**To:** Conrad, Teresa  
**Cc:** Williams, Scott  
**Subject:** RE: Labor Adjustment RE: VDT Filing Analysis

Teresa,  
Can you provide the total 401(k) company match for the 12 months ended June 30, 2005 for KU and LG&E?

**Leichty, Doug**

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**From:** Coffey, Kathy  
**Sent:** Friday, August 26, 2005 8:56 AM  
**To:** Leichty, Doug  
**Cc:** Conroy, Robert; Williams, Scott  
**Subject:** RE: VDT: Labor Adjustment

The percentage of wages that do not exceed Social Security for this time period for LG&E is 97.69% and for KU is 98.08%.

**Blake Exhibit 1**  
**Reference Schedule 1.43**  
**Sponsoring Witness: Valerie Scott**

**KENTUCKY UTILITIES**

**Adjustment to Annualize MISO Schedules 16 and 17**  
**For the Twelve Months Ended June 30, 2005**

1. Actual MISO Schedules 16 and 17 incurred in the 12 months ended June 30, 2005 (April, May, and June 2005)	\$ 1,019,114
2. Actual MISO Schedules 16 and 17 incurred in July and August 2005	875,913
3. Average MISO Schedules 16 and 17 monthly amount [(Line 1 + Line 2) / 5]	379,005
4. MISO Schedules 16 and 17 annual amount (Line 3 x 12)	4,548,060
5. MISO Schedules 16 and 17 incurred during 12 months ended June 30, 2005	<u>1,019,114</u>
6. MISO Schedules 16 and 17 annualization adjustment (Line 4 - Line 5)	\$ 3,528,946
7. Kentucky Jurisdiction	<u>86.080%</u>
8. Kentucky Jurisdictional adjustment	<u>\$ 3,037,717</u>

## MISO Summary

	Apr-2005	May-2005	Jun-2005	Jul-2005	Aug-2005	April -June
Sch 16 - FTR Admin Fee						
LG&E	37,402	49,359	8,645	22,090	48,206	95,406
KU	61,549	72,460	8,740	18,718	43,449	142,750
Total	98,951	121,819	17,385	40,808	91,655	238,155
Sch 17- DA/RT Admin Fee						
LG&E	180,249	220,700	235,570	291,431	287,897	636,519
KU	271,821	289,298	315,245	415,387	398,360	876,365
Total	452,070	509,998	550,815	706,818	686,257	1,512,883
Total Sch 16 & 17						
LG&E	217,650	270,058	244,216	313,521	336,103	731,924
KU	333,371	361,759	323,985	434,104	441,809	1,019,114
Total	551,021	631,817	568,200	747,625	777,912	1,751,038

### NOTE:

Amount represents charges per the most recent settlement statements, or estimated amounts for days with no settlement statement, as of each month end allocated based upon an allocation methodology.

Schedule 16 administrative costs for native load are allocated between companies based on the percent of FTR volume.

Schedule 16 administrative costs are not allocated to for oss.

Schedule 17 administrative costs for native load are allocated between companies based on the percent of load.

Schedule 17 administrative costs for oss are allocated between companies based on the percent of generation contributed.



KU	Acct #	Jan-2005		Feb-2005		Mar-2005		Apr-2005		May-2005		Jun-2005		Jul-2005		Aug-2005		2005 YTD		
		MWH	Dollars	MWH	Dollars	MWH	Dollars	MWH	Dollars	MWH	Dollars	MWH	Dollars	MWH	Dollars	MWH	Dollars	MWH	Dollars	
DAY 1	Schedule 7.8,14,18 - OSS	456051	(872,466.72)	(554,267.58)	(14,878.83)	(19,125.41)	(29,317.10)	26,834.84	725.87	(1,155.17)	(37.59)	(6.72)	(3,289.60)	(1,983.01)	(178.28)	-	(1,983.01)	-	(2,112,113.48)	
	Schedule 1 - OSS	456052	(23,338.50)	(14,878.83)	(19,125.41)	(29,317.10)	26,834.84	725.87	(1,155.17)	(37.59)	(6.72)	(3,289.60)	(1,983.01)	(178.28)	-	(1,983.01)	-	(2,112,113.48)		
	Schedule 2 - OSS	456053	(38,724.20)	(22,803.76)	(29,317.10)	1,119.81	1,119.81	1,119.81	1,119.81	(17.45)	(2.95)	(259.73)	-	(94.83)	-	(94.83)	-	(89,900.21)		
	Transmission Elec OSS - MISO	565006	-	444,768.03	320,155.35	2	(9,876.83)	88	115.18	142	55.34	2,249	3,448.28	1,009	(162,056.29)	3,470	598,807.02			
	MISO Schedule 10 - OSS	566102	14,129.28	(8,352.03)	14,137.73	(13,100.63)	11.55	20.35	323.00	-	-	-	-	-	(110.48)	-	7,058.77			
	MISO FERC Fees - OSS	566104	5,068.00	5,068.00	5,068.00	5,068.00	5,068.00	5,068.00	5,068.00	5,068.00	5,068.00	5,068.00	5,068.00	5,068.00	17,886.23	-	51,753.18			
	Subtotal Day 1 OSS	-	(915,332.14)	(150,284.17)	(414,847.64)	2	10,771.06	88	3,664.50	142	4,913.99	2,249	3,521.15	1,009	(146,416.86)	3,470	(1,603,489.91)			
	Schedule 7.8,14,18 - NL	456002	(892,079.68)	239,077.69	(642,668.90)	(301,723.18)	(341,080.14)	(359,997.02)	(435,835.87)	-	-	-	32,788.84	-	(2,701,318.44)	-				
	Schedule 1 - NL	456020	(14,832.51)	(14,110.41)	(14,915.88)	(11,782.58)	(12,957.83)	(13,272.89)	(13,495.29)	-	-	-	(1,495.29)	-	(106,080.45)	-				
	Schedule 2 - NL	456021	(34,938.54)	(32,507.53)	(34,296.23)	(32,507.10)	(30,709.10)	(40,016.70)	(41,848.14)	-	-	-	(43,702.40)	-	(286,203.42)	-				
	MISO Schedule 10 - NL	566101	429,229.89	326,174.61	427,394.36	1,945	287,544.24	2,409	347,282.73	2,783	383,959.06	3,114	437,887.96	3,002	412,821.82	13,234	3,031,784.30			
	MISO Schedule 18 - NL	566109	7,807.19	8,118.76	8,652.98	7,395.78	5,498.84	6,467.04	7,824.18	-	-	-	8,360.42	-	57,925.15	-				
	MISO FERC Fees - NL	566103	73,682.00	73,682.00	73,682.00	73,682.00	73,682.00	73,682.00	73,682.00	73,682.00	73,682.00	73,682.00	73,682.00	73,682.00	283,193.03	-	775,573.03			
	Subtotal Day 1 NL	-	(430,831.83)	800,435.12	(184,241.87)	1,945	1,609.14	2,409	32,409.10	2,783	44,813.94	3,114	16,720.44	3,002	678,766.03	13,234	759,680.17			
DAY 2	Regular Sales-OSS	447016	-	-	-	(7,081)	(317,003.10)	(9,732)	(471,544.65)	(32,469)	(1,594,507.32)	(77,005)	(3,384,860.89)	(75,540)	(4,273,896.15)	(201,827)	(10,041,613.91)			
	Brokered Sales-OSS	447109	-	-	-	(20,709)	(712,578.85)	(31,229)	(1,099,492.15)	(29,210)	(1,239,913.66)	(26,260)	(1,823,500.14)	(34,507)	(1,822,103.69)	(141,915)	(6,497,589.49)			
	Purchases-OSS	553008	-	-	-	153	8,871.49	253	12,164.40	(3)	(66.41)	88	6,509.09	8,710	1,203,120.75	9,162	1,230,599.32			
	Brokered Purch-OSS	447209	-	-	-	18,863	575,737.89	29,398	878,968.99	24,404	878,579.94	21,049	1,298,814.20	28,261	1,473,913.28	121,975	5,106,194.31			
	Sch 17- DA/RT Admin Fee-OSS	557201	-	-	-	1,161.37	1,161.37	4,877.70	4,877.70	-	-	-	10,908.97	-	9,740.75	-	29,244.68			
	RSG Make Whole Payment-OSS	557205/456025	-	-	-	(35,910.65)	(77,928.68)	-	(2,910,304.78)	-	-	-	(2,596,514.98)	-	(1,482,254.71)	-	(7,102,913.94)			
	RSG Distribution Amount - OSS	557205	-	-	-	87.31	87.31	187.14	187.14	-	-	-	5,425.02	-	5,852.48	-	13,570.45			
	Revenue Neutrality Uplift - OSS	557205	-	-	-	108.88	108.88	320.29	320.29	-	-	-	10,914.46	-	21,994.97	-	44,909.52			
	Other-OSS	557205	-	-	-	26.14	26.14	(228.48)	(228.48)	-	-	-	(4,869.91)	-	(4,352.18)	-	(10,450.88)			
	Day 2 OSS	-	-	-	-	(8,774)	(476,440.72)	(11,310)	(754,855.62)	(37,276)	(4,857,593.05)	(82,147)	(6,278,975.06)	(73,076)	(4,883,300.04)	(212,585)	(17,251,964.49)			
	Generation fuel for MISO sales	-	-	-	-	9,918	183,983.46	9,335	344,323.98	32,298	1,549,009.04	75,828	1,952,159.28	74,479	2,453,268.71	198,858	6,482,744.45			
	Internal replacement purch from LGE-fuel	-	-	-	-	-	-	-	-	257	16,313.42	1,216	94,918.88	1,022	88,913.02	2,495	197,245.32			
	Subtotal Day 2 OSS	-	-	-	-	(1,856)	(295,457.26)	(1,975)	(410,331.64)	(4,723)	(3,282,270.59)	(5,303)	(4,229,898.92)	2,425	(2,344,018.31)	(11,432)	(10,571,974.72)			
	Purchases-NL	555007	-	-	-	53,418	2,725,057.10	22,831	914,871.90	48,781	3,856,706.79	102,415	8,854,999.07	127,569	12,303,731.02	354,792	28,855,365.88			
	Sch 16 - FTR Admin Fee-NL	557202	-	-	-	81,548.47	81,548.47	72,460.33	72,460.33	-	-	-	8,739.80	-	43,449.38	-	204,916.52			
	Sch 17- DA/RT Admin Fee-NL	557203	-	-	-	270,660.06	270,660.06	287,420.52	287,420.52	-	-	-	404,479.89	-	388,618.96	-	1,861,898.37			
	RSG Make Whole Payment-NL	557204	-	-	-	(436,590.82)	(436,590.82)	(281,401.50)	(682,006.40)	-	-	-	(17,335.77)	-	24,093.77	-	(28,627.92)			
	RSG Distribution Amount - NL	557204	-	-	-	531,795.43	531,795.43	633,529.38	633,529.38	-	-	-	1,572,799.76	-	2,198,570.60	-	6,501,231.52			
	Revenue Neutrality Uplift - NL	557204	-	-	-	661,739.67	661,739.67	1,125,520.24	1,125,520.24	-	-	-	3,041,404.17	-	2,318,875.74	-	9,486,489.06			
	Other-NL	557204	-	-	-	(134,603.78)	(134,603.78)	(734,961.59)	(734,961.59)	-	-	-	(1,153,085.58)	-	(3,792,714.89)	-	(5,372,714.89)			
	Day 2 NL	-	-	-	-	53,418	3,679,807.13	22,831	2,017,439.28	48,781	8,313,025.81	102,415	12,721,978.90	127,569	15,956,475.64	354,792	42,888,526.56			
	FAC Revenue (100% of NL purch)	-	-	-	-	(53,418)	(2,725,057.10)	(22,831)	(914,871.90)	(48,781)	(3,856,706.79)	(102,415)	(8,854,999.07)	(127,569)	(12,303,731.02)	(354,792)	(28,855,365.88)			
	Subtotal Day 2 NL	-	-	-	-	954,550.03	954,550.03	1,102,567.38	1,102,567.38	-	-	-	3,866,979.83	-	3,652,744.62	-	14,033,160.68			
DAY 3	MISO Schedule 21 - NL	456002	-	(543,702.67)	(181,233.77)	-	(95,822.89)	(80,944.53)	(49,912.67)	-	-	-	(88,340.43)	0	(88,944.86)	-	(1,129,031.64)			
	MISO Schedule 22 - NL	566117	-	26,535.12	164,064.60	-	43,735.07	43,264.62	71,806.20	-	-	-	96,405.18	0	(60,109.16)	-	387,501.83			
	Subtotal Day 3 NL	-	-	(517,167.55)	(17,169.17)	-	(52,087.82)	-	(37,709.91)	-	-	-	21,663.53	-	(149,054.04)	-	(741,530.01)			
KU Subtotal per General Ledger	-	-	(1,346,164.07)	(87,016.60)	(616,058.48)	91.44	619,285.35	502.07	690,919.43	(1,818.36)	1,235,469.69	60.38	(332,610.75)	6,436.04	1,692,021.84	5,272	1,875,846.21			
Less Subtotal Day 2 OSS	-	-	-	-	-	1,856	295,457.26	1,975	410,331.64	4,723	3,292,270.59	5,303	4,229,898.92	(2,425)	2,344,018.31	11,432	10,571,974.72			
KU Total MISO less Day 2 OSS Profit	-	-	(1,346,164.07)	(87,016.60)	(616,058.48)	1,947	914,742.61	2,477	1,101,251.07	2,905	4,527,740.28	5,363	3,897,286.17	4,011	4,038,039.85	16,704	12,447,820.93			

NOTE: Positive values represent Expenses and Negative values represent Revenues.

Attachment to KIUC Question No. 10  
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Blake

Blake Exhibit 1  
Reference Schedule 1.44  
Sponsoring Witness: Valerie Scott

**KENTUCKY UTILITIES**

**Adjustment to Annualize MISO Revenue Neutrality Uplift  
For the Twelve Months Ended June 30, 2005**

1. Actual MISO Revenue Neutrality Uplift incurred in the 12 months ended June 30, 2005 (April, May, and June 2005)	\$ 4,131,708
2. Actual MISO Revenue Neutrality Uplift incurred in July and August 2005	5,376,776
3. Average MISO Revenue Neutrality Uplift monthly amount [(Line 1 + Line 2) / 5]	1,901,697
4. MISO Revenue Neutrality Uplift annual amount (Line 3 x 12)	22,820,364
5. MISO Revenue Neutrality Uplift incurred during 12 months ended June 30, 2005	<u>4,131,708</u>
6. MISO Revenue Neutrality Uplift annualization adjustment (Line 4 - Line 5)	\$ 18,688,656
7. Kentucky Jurisdiction	<u>86.080%</u>
8. Kentucky Jurisdictional adjustment	<u><u>\$ 16,087,195</u></u>