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PUBLIC SERVICE COMMISSION



Jeff DeRouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602-0615

March 30, 2012

RE: APPLICATION OF KENTUCKY UTILTIES COMPANY FOR AN ORDER APPROVING ITS CALCULATION OF THE ACQUISITION SAVINGS SHARING DEFERRAL METHODOLOGY FOR 2011

Dear Mr. DeRouen:

Please find enclosed and accept for filing the original and ten copies of the Application of Kentucky Utilities Company for an order approving its calculation of the Acquisition Savings Sharing Deferral Methodology for 2011. Please confirm your receipt of this filing by placing the stamp of your office with the date received on the enclosed additional copy of this filing.

Should you have any questions regarding the enclosed, please contact me at your convenience.

Sincerely,

Robert M. Conroy

cc: Dennis G. Howard II Michael L. Kurtz Kendrick R. Riggs Allyson K. Sturgeon Kentucky Utilities Company State Regulation and Rates 220 West Main Street PO Box 32010 Louisville, Kentucky 40232

Robert M. Conroy Director - Rates T 502-627-3324

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F 502-627-3213

robert.conroy@lge-ku.com

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR AN ORDER APPROVING ITS)	
CALCULATION OF THE ACQUISITION)	CASE NO. 2012
SAVINGS SHARING DEFERRAL)	
METHODOLOGY FOR 2011	·	

VERIFIED APPLICATION

Kentucky Utilities Company ("KU") hereby petitions the Kentucky Public Service Commission ("Commission"), pursuant to KRS 278.220, to issue an order by June 30, 2012, approving its calculations of the Acquisition Savings Sharing Deferral Methodology for 2011. In support of its application, KU states as follows:

- 1. <u>Address</u>: Applicant's full name and business address is: Kentucky Utilities Company, One Quality Street, Lexington, Kentucky 40507. KU's mailing address is Kentucky Utilities Company c/o LG&E and KU Energy LLC, 220 West Main Street, Post Office Box 32010, Louisville, Kentucky 40232.
- 2. <u>Articles of Incorporation</u>: A certified copy of KU's current Articles of Incorporation is on file with the Commission in Case No. 2010-00204, *In the Matter of: The Joint Application of PPL Corporation, E.ON AG, E.ON U.S. Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of an Acquisition of Ownership and Control of Utilities and is incorporated by reference herein pursuant to 807 KAR 5:001, Section 8(3).*
- 3. KU is a public utility, as defined in KRS 278.010(3)(a), engaged in the electric business. KU generates and purchases electricity, and distributes and sells electricity at retail in the following counties in Central, Northern, Southeastern and Western Kentucky:

Adair	Edmonson	Jessamine	Ohio
Anderson	Estill	Knox	Oldham
Ballard	Fayette	Larue	Owen
Barren	Fleming	Laurel	Pendleton
Bath	Franklin	Lee	Pulaski
Bell	Fulton	Lincoln	Robertson
Bourbon	Gallatin	Livingston	Rockcastle
Boyle	Garrard	Lyon	Rowan
Bracken	Grant	Madison	Russell
Bullitt	Grayson	Marion	Scott
Caldwell	Green	Mason	Shelby
Campbell	Hardin	McCracken	Spencer
Carlisle	Harlan	McCreary	Taylor
Carroll	Harrison	McLean	Trimble
Casey	Hart	Mercer	Union
Christian	Henderson	Montgomery	Washington
Clark	Henry	Muhlenberg	Webster
Clay	Hickman	Nelson	Whitley
Crittenden	Hopkins	Nicholas	Woodford
Daviess	-		

4. Copies of all orders, pleadings and other communications related to this proceeding should be directed to:

Lonnie Bellar
Vice President, State Regulation and Rates
LG&E and KU Energy LLC
220 West Main Street
Louisville, Kentucky 40202
Telephone: (502) 627-4830

Allyson K. Sturgeon Senior Corporate Attorney LG&E and KU Energy LLC 220 West Main Street Louisville, KY 40202 Telephone: (502) 627-2088

Kendrick R. Riggs W. Duncan Crosby III Stoll Keenon Ogden PLLC 2000 PNC Plaza 500 West Jefferson Street Louisville, KY 40202 Telephone: (502) 333-6000

Acquisition Savings Sharing Deferral Methodology

- 5. The Commission in Case No. 2010-00204, In the Matter of: The Joint Application of PPL Corporation, E.ON AG, E.ON U.S. Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of an Acquisition of Ownership and Control of Utilities, issued an order on September 30, 2011 approving the transfer of ownership of KU and its sister utility, Louisville Gas and Electric Company ("LG&E"), through PPL Corporation's acquisition of E.ON U.S. Investments' interests in E.ON U.S. LLC. In connection with its approval of the transfer of ownership in Case No. 2010-00204, the Commission approved a Settlement Agreement, Stipulation and Recommendation ("Settlement Agreement"). Article II of that Settlement Agreement requires KU and LG&E to adopt and implement the Acquisition Savings Sharing Deferral ("ASSD") methodology subject to the conditions contained therein.
- 6. KU and LG&E are to file with the Commission by April 1, beginning April 1, 2012, their applications for orders approving their ASSD calculations and the annual deferral amounts, if any, resulting therefrom. This application contains KU's ASSD calculations for the calendar year 2011.

KU's ASSD Calculations

7. KU's ASSD calculations for calendar year 2011 are contained in Exhibits 1 through 9. The Index to Schedules attached to Exhibits 1 through 9 lists the revenue requirement calculations according to the applicable section in Article 2 of the Settlement Agreement with the corresponding exhibit and supporting reference schedule. The work papers and source

¹ The adjustments to (1) eliminate environmental surcharge revenues and expenses (Exhibit 1, Reference Schedule 1.03), (2) reduce revenues associated with ECR-related off-system and intercompany sales (Exhibit 1, Reference Schedule 1.04) and (3) pro form capitalization (Exhibit 2, Column 11 "Environmental Compliance Plans") are based on the assumption that the ECR monthly billing factor during 2011 continued to be calculated using the percentage

documents supporting the calculations in Exhibits 1 through 9 are attached to each schedule. The calculations are similar in kind to and where applicable correspond with the order in KU's last base rate case, Case No. 2009-548. Exhibit 8, "Calculation of Excess Return Amount at December 31, 2011" shows:

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1.	Actual Earned Rate of Return on Common Equity (Section 2.2)	9.54%
2.	Threshold Rate of Return on Common Equity (Section 2.3)	10.75%
3.	Difference (Lines: 1 - 2)	-1.21%

Because the calculated ASSD actual earned rate of return on common equity is less than the threshold requirement of 10.75%, there is no excess return amount for KU's operations for purposes of determining a regulatory liability. Exhibit 9 further shows KU's Kentucky jurisdictional actual earned rate of return on common equity for the twelve months ended December 31, 2011 was 9.54%.

8. The adjustments to (1) eliminate environmental surcharge revenues and expenses (Exhibit 1, Reference Schedule 1.03), (2) reduce revenues associated with ECR-related offsystem and intercompany sales (Exhibit 1, Reference Schedule 1.04) and (3) pro form capitalization (Exhibit 2, Column 11 "Environmental Compliance Plans"), however, do not reflect the decision by the Commission in its Order in Case No. 2009-00310, An Examination By The Public Service Commission Of The Environmental Surcharge Mechanism Of Kentucky

of revenue method. During the test year in Case No. 2009-00548, KU's ECR monthly billing factor was calculated using the percentage of revenue method. Effective with the ECR billing month of February 2010, KU's ECR monthly billing factor was calculated using the revenue requirement method in accordance with the Commission's Order in Case No. 2009-00310. Thus the ECR monthly billing factor for the twelve-month period ended December 31, 2011, was calculated using the revenue requirement method consistent with the Commission's Order in Case No. 2009-00310.

Other Description of the Two-Year Billing Period Ending April 30, 2009, to eliminate the use of the percentage of revenue method and approve the use of the revenue requirement method for calculating the monthly ECR billing factor. The calculation of these three pro forma adjustments is based on the assumption that the Commission's order in Case No. 2009-00310 did not eliminate the use of the percentage of revenue method and the ECR monthly billing factor during 2011 continued to be calculated accordingly. In fact, KU's ECR monthly billing factor during the twelve-month period ended December 31, 2011 was calculated using the revenue requirement method pursuant to the Commission's Order in Case No. 2009-00310. Supplemental Exhibits 1 through 9 contain KU's ASSD calculations for calendar year 2011, reflecting the calculation of these adjustments in accordance with the Commission's December 2, 2009 Order in Case No. 2009-00310. The calculations in Supplemental Exhibits 1 through 9 are similar in kind to and where applicable correspond with the orders in KU's last base rate case, Case No. 2009-548 and two-year ECR review case, Case No. 2009-00310. Supplemental Exhibits 8, "Calculation of Excess Return Amount at December 31, 2011" shows:

ELECTRIC

1.	Actual Earned Rate of Return on Common Equity (Section 2.2)	8.50%
2.	Threshold Rate of Return on Common Equity (Section 2.3)	10.75%
3.	Difference (Lines: 1 - 2)	-2.25%

Because the supplemental analysis shows the calculated ASSD actual earned rate of return on common equity is less than the threshold requirement of 10.75%, there is no excess return amount for KU's operations for purposes of determining a regulatory liability. Supplemental

² The calculation of the monthly billing factor based on the revenue method was effective February 1, 2010.

Exhibit 9 further shows KU's Kentucky jurisdictional actual earned rate of return on common equity for the twelve months ended December 31, 2011 was 8.50%.

WHEREFORE, Kentucky Utilities Company respectfully requests the Commission issue an order by June 30, 2012, approving its calculations of the Acquisition Savings Sharing Deferral Methodology for 2011.

Dated: March 30, 2012

Respectfully submitteff,

Kendrick R. Riggs W. Duncan Crosby III Stoll Keenon Ogden PLLC 2000 PNC Plaza

500 West Jefferson Street Louisville, Kentucky 40202 Telephone: (502) 333-6000

Allyson K. Sturgeon Senior Corporate Attorney LG&E and KU Energy LLC 220 West Main Street Louisville, KY 40202 Telephone: (502) 627-2088

Counsel for Kentucky Utilities Company

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the above and foregoing Application was served upon the following persons by first class United States mail, this 30th day of March 2012 and no other party to Case No. 2010-00204 has requested a copy of this application as of this date:

Dennis G. Howard II Assistant Director Office of the Kentucky Attorney General Office of Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, KY 40601-8204 Michael L. Kurtz Kurt J. Boehm Boehm, Kurtz & Lowry 36 E. Seventh Street, Suite 1510 Cincinnati, OH 45202

Counsel for Kentucky Utilities Company

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

The undersigned, Lonnie E. Bellar, being duly sworn, deposes and says he is Vice President, State Regulation and Rates for Louisville Gas and Electric Company and Kentucky Utilities Company, and that he has personal knowledge of the matters set forth in the foregoing Verified Application, and that the content thereof is true and correct to the best of his information, knowledge, and belief.

LONNIE E, BELLAR

Subscribed and sworn to before me, a Notary Public in and before said County and State,

this $\cancel{A}\cancel{B}$ day of March 2012.

My Commission Expires:

John M. Alenry (SEAL)

Acquisition Savings Sharing Deferral Methodology ECR Percentage of Revenue Method

Index of Schedules

Settlement Agreement Section	<u>Exhibit</u>	Reference Schedule	<u>Description</u>
Section 2.2.1	Exhibit 1		Adjustments to Operating Revenues, Operating Expenses and Net Operating Income
	Exhibit 1	1.00	Adjustment to eliminate unbilled revenues
	Exhibit 1	1.01	To adjust mismatch in fuel cost recovery
	Exhibit 1	1.02	To adjust base rates and FAC to reflect a full year of the FAC roll-in
	Exhibit 1	1.03	Adjustment to eliminate Environmental Surcharge revenues and expenses
	Exhibit 1	1.04	Off-system sales revenue adjustment for the ECR calculation
	Exhibit 1	1.05	To eliminate net brokered and financial swap revenues and expenses
	Exhibit 1	1.06	To eliminate ECR, MSR, FAC, and DSM accruals
	Exhibit 1	1.07	To eliminate DSM revenue and expenses
	Exhibit 1	1.08	Adjustment to annualize year-end customers
	Exhibit 1	1.09	Adjustment to reflect annualized depreciation expenses
	Exhibit 1	1.10	Adjustment to reflect increases in labor and labor related costs
	Exhibit 1	1.11	Adjustment for pension, post retirement, and post employment costs
	Exhibit 1	1.12	Adjustment to reflect normalized storm damage expense
	Exhibit 1	1.13	Adjustment for injuries and damages FERC account 925
	Exhibit 1	1.14	Adjustment to eliminate advertising expenses pursuant to Commission Rule 807 KAR 5:016
	Exhibit 1	1.15	Adjustment to remove out-of-period items
	Exhibit 1	1.18	Calculation of Composite Federal and Kentucky Income tax rate
	Exhibit 1	1.19	Adjustment to federal and state income taxes resulting from interest synchronization
	Exhibit 1	1.20	Prior income tax true-ups and adjustments
	Exhibit 1	1.21	Calculation of Revenue Gross Up Factor
	Exhibit 1	Allocators	Kentucky Jurisdictional Allocators
Section 2.2.2	Exhibit 2		Capitalization at December 31, 2011
Section 2.2.2	Exhibit 3		Net Original Cost Kentucky Jurisdictional Rate Base
Section 2.4	Exhibit 8		Calculation of Excess Return Amount at December 31, 2011
Section 2.2.3	Exhibit 9		Kentucky Jurisdictional Rate of Return on Common Equity

Adjustments to Operating Revenues, Operating Expenses and Net Operating Income For the Twelve Months Ended December 31, 2011

	Reference Schedule (1)	Operating Revenues (2)	Operating Expenses (3)	Net Operating Income (4)
1. Jurisdictional amount per books	- 124	1,365,943,770	1,146,605,130	\$ 219,338,640
2. Revenue and Expense Adjustments:				
3. Adjustment to eliminate unbilled revenues	1.00	14,834,557	-	14,834,557
4. To adjust mismatch in fuel cost recovery	1.01	(9,163,730)	(10,060,372)	896,642
5. To adjust base rates and FAC to reflect a full year of the FAC roll-in	1.02	2,733,478	-	2,733,478
6. Adjustment to eliminate Environmental Surcharge revenues and expenses	1.03	(34,616,785)	(39,635,311)	5,018,526
7. Off-system sales revenue adjustment for the ECR calculation	1.04	(912,432)	-	(912,432)
8. To eliminate net brokered and financial swap revenues and expenses	1.05	297,367	(5,641)	303,008
9. To eliminate ECR, MSR, FAC, and DSM accruals	1.06	(9,317,804)	-	(9,317,804)
10. To eliminate DSM revenue and expenses	1.07	(17,120,990)	(12,541,915)	(4,579,075)
11. Adjustment to annualize year-end customers	1.08	(13,701,571)	(7,542,566)	(6,159,006)
12. Adjustment to reflect annualized depreciation expenses	1.09	-	3,629,021	(3,629,021)
13. Adjustment to reflect increases in labor and labor related costs	1.10	-	2,781,358	(2,781,358)
14. Adjustment for pension, post retirement, and post employment costs	1.11	-	(5,383,324)	5,383,324

Adjustments to Operating Revenues, Operating Expenses and Net Operating Income <u>For the Twelve Months Ended December 31, 2011</u>

	Reference Schedule (1)	Operating Revenues (2)	Operating Expenses (3)	Net Operating Income (4)
15. Adjustment to reflect normalized storm damage expense	1.12	-	(218,790)	218,790
16. Adjustment for injuries and damages FERC account 925	1.13	-	(854,518)	854,518
17. Adjustment to eliminate advertising expenses pursuant to Commission Rule 807 KAR 5:016	1.14	-	(787,057)	787,057
18. Adjustment to remove out-of-period items	1.15	6,057	18,185	(12,128)
19. Total of above adjustments	•	(66,961,853)	(70,600,929)	3,639,076
20. Federal and state income taxes corresponding to base revenue and expense adjustments and above adjustments - 30	5.7293 % 1.18		1,336,606	(1,336,606)
21. Federal and state income taxes corresponding to annualization and adjustment of year-end interest expense	1.19		387,496	(387,496)
22. Prior income tax true-ups and adjustments	1.20		347,815	(347,815)
23. Total adjustments		(66,961,853)	(68,529,012)	1,567,159
24. Adjusted Net Operating Income		1,298,981,917	1,078,076,118	\$ 220,905,799

KENTUCKY UTILITIES COMPANY ELECTRIC COST OF SERVICE STUDY JURISDICTIONAL SEPARATION

RATE BASE: END OF YEAR ALLOCATION METHOD: AVG 12 CP (COMBINED CO SYS)

RATE BASE: END OF YEAR ALLOCATION METHOD: AVG 12 CP (COMBINED CO S	SYS)		12 MONTH O ENDIN G I	DECEMBER 31, 2011	1				
,	ALLOC	TOTAL KENTUCKY UTILITIES (1)	KENTUCKY STATE JURISDICTION (2)	VIRGINIA STATE JURISDICTION (3)	FERC & TENNESSEE JURISDICTION (4)	TENNESSEE STATE JURISDICTION (5)	FERC JURISDICTION (6)	PRIMARY (7)	TRANSMISSION (8)
SUMMARY OF RESULTS AS ALLOCATED									
ELEMENTS OF RATE BASE									
1 PLANT IN SERVICE		6,443,488,241	5,614,477,615	376,456,372	452,554,254	183,489	452,370,765	143,796,072	308,574,693
 LESS RESERVE FOR DEPRECIATION NET PLANT IN SERVICE 		2,395,037,773 4,048,450,468	2,080,817,095 3,533,660,520	147,816,116 228,640,256	166,404,562 286,149,692	111,392 72,097	166,293,170 286,077,595	52,935,603 90,860,468	113,357,566 195,217,127
4 CONST WORK IN PROGRESS 5 NET PLANT		339,711,432 4,388,161,900	296,680,367 3,830,340,887	17,499,717 246,139,973	25,531,348 311,681,040	2,631 74,728	25,528,716 311,606,312	8,047,395 98,907,863	17,481,321 212,698,448
ADD: 6 MATERIALS & SUPPLIES 7 FUEL INVENTORY 8 PREPAYMENTS 9 WORKING CASH 10 EMISSION ALLOWANCES		42,804,186 90,432,767 7,767,704 103,540,986 510,543	37,153,312 78,471,675 6,956,836 95,623,543 442,484	2,481,807 4,208,795 379,925 - 25,355	3,169,067 7,752,297 430,942 7,917,443 42,704	1,064 377 187 1,378 4	3,168,003 7,751,920 430,755 7,916,065 42,700	1,003,042 2,517,133 137,945 2,562,353 13,339	2,164,961 5,234,787 292,810 5,353,712 29,361
11 TOTAL ADDITIONS DEDUCT: 12 RESERVE FOR DEF TAXES 13 RESERVE FOR ITC		245,056,186 475,941,762 101,407,768	218,647,851 416,040,136 87,006,521	7,095,883 27,398,303 5,145,678	19,312,452 32,503,323 9,255,568	3,009 13,161 762	19,309,443 32,490,162 9,254,807	6,233,812 10,325,360 2,891,115	13,075,630 22,164,801 6,363,691
14 CUSTOMER ADVANCES 15 CUSTOMER DEPOSITS-VIRGINIA 16 DEFERRED FUEL-VIRGINIA 17 OPEB UNFUNDED-VIRGINIA 18 TOTAL DEDUCTIONS		3,155,939 22,862,412 (2,924,152) 61,769,169 662,212,898	2,998,149 - - - 506,044,807	157,790 514,229 (2,924,152) 3,359,730 33,651,578	- - - 0 41,758,891	- - - - 13,923	- - - 0 41,744,968	- - - 13,216,476	- - - - 28,528,493
19 NET ORIGINAL COST RATE BASE		3,971,005,187	3,542,943,931	219,584,278	289,234,600	63,815	289,170,786	91,925,200	197,245,586
DEVELOPMENT OF RETURN 20 OPERATING REVENUES		1,547,516,986	1,365,943,770	74,868,452	106,704,764	5,995	106,698,770	34,372,405	72,326,364
OPERATING EXPENSES 21 OPERATION & MAINT EXPENSE 22 DEPRECIATION & AMORT EXP 23 REGULATORY CREDITS 24 TAXES OTHER THAN INC TAX 25 INCOME TAXES 26 (GAIN) / LOSS DISPOSITION ALLOWANCES 27 (GAIN) / LOSS DISPOSITION PROPERTY-VA 28 CHARITABLE CONTRIBUTIONS-VA 29 INTEREST ON CUSTOMER DEPOSITS-VA 30 ACCRETION EXPENSE 31 TOTAL OPERATING EXPENSES		981,575,649 189,190,233 (5,855,640) 28,115,767 109,076,966 (3,293) (46,988) 644,462 1,363,673 2,827,117 1,306,887,946	859,662,729 165,252,726 (5,077,86) 24,910,482 99,407,607 (2,854) - - - 2,452,337 1,146,605,130	(2,745) 17,527 1,921 139,599	72,676,447 13,662,923 (488,032) 1,742,986 5,620,187 (275) 235,181 93,649,417	11,506 3,687 (44) 536 (4,229) (0) - - 21 11,478	1,742,450 5,624,416 (275) - - 235,160 93,637,940	23,522,084 4,394,303 (152,483) 556,181 1,801,295 (86) - - - 73,491 30,194,785	49,142,857 9,464,933 (335,505) 1,186,269 3,823,121 (189) - - 161,669 63,443,154
32 RETURN 33 RATE OF RETURN		240,629,040 6.06%	219,338,639 6.19%	10,157,965 4.63%	13,055,347 4.51%	(5,483) -8.59%		4,177,620 4.54%	8,883,210 4,50%

Exhibit 1 Reference Schedule 1.00

KENTUCKY UTILITIES

Adjustment to Eliminate Unbilled Revenues

1. Unbilled revenues at December 31, 2010	\$	82,840,000
2. Unbilled revenues at December 31, 2011	***************************************	(68,005,443)
3. Increase/(Decrease) in book revenues due to unbilled revenues	\$	14,834,557

Louisville Gas & Electric and Kentucky Utilities Companies Revenue Component Variances 12 Months Ending December 2011 vs. Budget (in whole dollars, except for price per unit data)

KU (Electric) (KY and TN only)							BILLED R	EVENUES						
		Cust. Charge	Demand	Demand Rev.	Energy Rev.	Energy Rev.	Energy Rev.	FAC	DSM	ECR	MSR	STOD, ESM & VDT	Total	
	KWH	Revenue	Revenue	(Demand ECR)	(excl. fuel)	(Base ECR)	(Base Fuel)	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	\$/MWH
TOTAL Ultimate Consumers:			. 1											
Actual Budget	18,507,215,314				\$ 389,119,187					\$ 34,616,785	\$ 384	12	\$ 1,314,289,515	\$ 71.01
Variance	18,385,858,862	, , , , , , , , , , , , , , , , , ,							\$ 23,654,138	\$ 69,760,537	\$ - :		\$ 1,389,899,858	\$ 75.60
	121,356,452		1- 1	\$ 8,379,087	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	\$ 302,993	\$ (4,544,804)	\$ (8,846,193)	\$ (6,533,148)	\$ (35,143,752)	\$ 384	12	\$ (75,610,343)	\$ (4.58)
Dollars per MWH - Actual Dollars per MWH - Budget				\$ 3.88 \$ 3.45					\$ 0.93 \$ 1.29		\$ - : \$ -		\$ 71.01	- VIII-07
Wholesale-Municipals:							2,,0,	•	1.23	3.15	•		\$ 75.60	
Actual	1,756,275,201	\$ 312,864	\$ 40,350,276	\$ -	\$ 6,989,864	\$	\$ 43,081,431	\$ 5,483,169	\$ -	s -	e ,		e 00 947 co4	5 5470
Budget	2,019,073,644	\$ - :	\$ 48,912,880	\$ -					\$.	•				\$ 54,79 \$ 53,61
Variance	(262,798,443)	\$ 312,864	\$ (8,562,604)	\$ -	\$ (1,010,167)	\$ -			\$ -	·				\$ 33.61
Dollars per MWH - Actual		\$ 0.18	\$ 22.97	\$ -		\$ -			\$ -				, , , , , , , , , , , , , , , , , , , ,	\$ 1.17
Dollars per MWH - Budget		\$ -	\$ 24.23	\$.	\$ 3.96	\$ -								
TOTAL Internal Sales:														
Actual	20,263,490,515	\$ 71,189,840	\$ 197,867,045	\$ 71,723,350	\$ 396,109,051	\$ 62.004.293	\$ 544,883,181	\$ 14.992.186	\$ 17,120,990	• 24.040.70E	• •			
Budget											\$ 384 \$ -		\$ 1,410,507,118	
Variance	(141,441,991)	\$ {7,183,395}	\$ (31,572,956)	\$ 8,379,087			\$ (10.991.251)		\$ (6,533,148)		· .		\$ 1,498,148,038	
Dollars per MWH - Actual		\$ 3.51	\$ 9.76	\$ 3.54				1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	\$ 0.84	\$ 1.71				\$ (3.81)
Dollars per MWH - Budget	ļ :	\$ 3.84							\$ 1,16					ļ
							4000450	n = 1/2 1/1/2 = -						
		Cust. Charge	Demand	Demand Rev.	Energy Rev.	Energy Rev.	Energy Rev.	FAC	DSM	ECR	MSR	STOD, ESM & VDT		
	KWH	Revenue	Revenue	(Demand ECR)	(excl. fuel)	(Base ECR)	(Base Fuel)	Revenue	Revenue	Rovenue	mon Revenue	Revenue	Total Revenue	S/MWH
TOTAL Ultimate Consumers:														
Actual: Unbilled Accrual	929,796,638		\$ 8,006,139	\$ 3,418,689	\$ 21,551,070	\$ 3,283,000	\$ 24,777,098	\$ (359,879)	\$ 859,525	\$ 3,237,801	s .		\$ 68,005,443	\$ 73.14
Actual: Unbilled Reversal. Actual: Other Account Revenues	1.1	. for a stage	,,	\$ (3,595,000)	\$ (26,003,000)	\$ (4,254,000)	\$ (30,749,000)				\$ (6,000)		\$ (82,840,000)	
Actual: Net Accrued Revenues		<u>* </u>	<u> </u>	<u> </u>	\$ -			\$ 1,161,000			\$ -		5 9,317,468	
Actual: Net Accided Revenues	(187,006,362)	\$ 78,000	\$ (179,861)	\$ (176,311)	\$ (4,451,930)	\$ (971,000)	\$ (5,971,902)	\$ (1,663,879)	\$ 2,644,020	\$ 5,181,714	\$ (6,000)	-	\$ (5,517,149)	\$ 29.50
Budget: Unbilled Accrual	948,785,323	s .	s -	\$ _	\$ 20,574,240	\$ 3,525,116	\$ 26,129,548	\$ (447,225)	\$ 1,160,570	• 0.070.070				
Budget: Unbilled Reversal	(883,288,741)	\$ -									\$ - : \$ - :		\$ 54,218,619 \$ (58,539,448)	\$ 57.15 \$ 56.27
Budget: Other Accrued Revs	·	<u> </u>	\$ -	\$ -				\$ -		. frit reterral	\$.		\$ (30,339,440)	\$ 56.27 \$
Budget: Net Accrued Revs	65,496,582	\$ -	\$ -	\$ -	\$ (2,453,123)	\$ 2,877,695	\$ 1,803,776	\$ (2,168,114)	\$ 55,152	\$ (4,436,215)	\$ -	•	\$ (4,320,829)	
Wholesale-Municipals:	_												(1)111111111111111111111111111111111111	100.077
Actual: Unbilled Accrual	156,587,862	\$ 26,072		\$ -	\$ 627,398	s -	\$ 3,841,100	\$ 212,323	s -	\$ -	\$ - :		\$ 7,773,588	\$ 49.64
Actual: Unbilled Reversal	(6,996,000)		\$ (64,000)	\$.				\$ 2,000	\$ -					
Actual: Other Accrued Revenues				<u> </u>		<u> </u>		\$ -	\$.	\$ -	\$ -			\$ 37.57
Actual: Net Accrued Revenues	149,591,862	\$ 26,072	\$ 3,002,694	\$ -	\$ 428,398	\$ -	\$ 3,841,100	\$ 214,323	\$ -	\$ -	\$ -	-	\$ 7,512,588	\$ 50.22
Budget: Unbilled Accrual		\$ -	s -	s -	. .	s -	•	s -	s .	•	•			
Budget: Unbilled Reversal		•			š -	•	-	•						§ - [
Budget: Other Accrued Revs	- :	\$ -			•	*	•	•	\$.				\$ -	\$ - S -
Budget: Net Accrued Revs	-	\$ -	\$ -	\$ -	\$ -	ş -	\$ -	\$ -	\$ -		<u>s</u> -		•	\$
											<u> </u>		<u> </u>	
							PERATING		S					
	кwн	Cust Charge Revenue	Demand Revenue	Demand Rev. (Demand ECR)	Energy Rev. (excl. fuel)	Energy Rev. (Base ECR)	Energy Rev. (Base Fuel)	FAC Revenue	DSM Revenue	ECR Revenue	MSR Revenue	STOD, ESM & VDT Revenue	Total Revenue	\$IMWH
TOTAL Ultimate Consumers:													***************************************	
Actual	18,320,208,952			\$ 71,547,039	\$ 384,667,257	\$ 61,033,293	\$ 495,829,848	\$ 7,845,138	\$ 19,765,010	\$ 39,798,499	\$ (5,616)	12	\$ 1,308,772,366	\$ 71.44
Budget	18,451,355,444	• , 0,0,0,2,00		10.000	\$ 385,384,377		\$ 508,150,330	\$ 16,187,096	\$ 23,709,290		\$		\$ 1,385,579,029	\$ 75.09
Variance	(131,146,492)	\$ (7,418,259)	\$ (23,190,214)	\$ 8,202,776	\$ (717,120)	\$ (3,545,701)	\$ (12,320,482)	\$ (8,341,958)	\$ (3,944,280)	\$ (25,525,823)	\$ (5,616)	12	\$ (76,806,663)	
Dollars per MWH - Actual			\$ 8.59	\$ 3.91	\$ 21.00	\$ 3.33	\$ 27,06	\$ 0.43	\$ 1.08		\$ -		\$ 71.44	
Dollars per MWH - Budget	!	\$ 4.25	\$ 9.78	\$ 3.43	\$ 20.89	\$ 3.50	\$ 27.54				\$ - !			}
Wholesale-Municipals:														}
Actual	1.905,867,063	\$ 338,936	\$ 43,352,970	s .	\$ 7,418,262	s -	\$ 46.922.531	\$ 5,697,493	s -	s -	s -		\$ 103,730,192	\$ 54.43
Budget	2,019,073,644			\$ -		•			\$ -	•			\$ 103,730,192	\$ 53.61
Variance	(113.206.581)	\$ 338,936	\$ (5,559,910)	\$.	\$ (581,769)	\$ -			\$ -	·				
Dollars per MWH - Actual		\$ 0.18				\$.		\$ 2.99	\$	·				\$ 0.81
Dollars per MWH - Budget		\$ -							\$ -					Ì
TOTAL Internal Sales:											-	· · ·	7 33,01	
	00.000.000.000													
Actual	20,226,076,015				\$ 392,085,519					\$ 39,798,499			\$ 1,412,502,557	\$ 69.84
Budget	20,470,429,088		4 CE0(.)0,000	\$ 63,344,263						\$ 65,324,322	\$ -	-	\$ 1,493,827,209	\$ 72.97
Variance		1, 1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,	\$ (28,750,123)	\$ 8,202,776					\$ (3,944,280)	\$ (25,525,823)	\$ (5,616)	12	\$ (81,324,652)	\$ (3.14)
Dollars per MWH - Actual		\$ 3.52	\$ 9.92	\$ 3.54	\$ 19,39	\$ 3.02	\$ 26.83	\$ 0.67	\$ 0.98	\$ 1.97	\$ -	ş -	\$ 69.84	

To Adjust Mismatch in Fuel Cost Recovery For the Twelve Months Ended December 31, 2011

	R	evenue		Expense
	F	orm A	Form A*	
Expense	Pag	ge 5 of 6		Page 5 of 6
Month	······	Line 3	**************************************	Line 8
Jan-11		(4,235,011)		(36,966)
Feb-11		2,626,531		(445,420)
Mar-11		(30,433)		(862,022)
Apr-11		(413,989)		373,214
May-11		(764,843)		1,868,842
Jun-11		442,436		1,659,021
Jul-11		2,203,882	5,453,17	
Aug-11		1,897,425	,	4,052,858
Sep-11		5,048,751		2,211,016
Oct-11		3,444,797		(2,873,345)
Nov-11		2,048,455		(786,511)
Dec-11		(3,104,271)		(553,491)
Total	\$	9,163,730	\$	10,060,372
Adjustment	\$	(9,163,730)	\$	(10,060,372)

^{*} NOTE: Expenses are recovered in the second succeeding month. For example, January 2011 would be reflected in March 2011.

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: January 2011

1.	Last FAC Rate Billed			(\$0.00215)
2.	KWH Billed at Above Rate			1,969,772,373
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	(4,235,011)
4.	KWH Used to Determine Last FAC Rate		<u> </u>	1,564,718,307
5.	Non-Jurisdictional KWH (Included in Line 4)			225,103,957
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,339,614,350
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)			\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	(2,880,171)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(1,354,840)
10	Total Sales "Sm" (From Page 3 of 6)	•		2,165,851,031
11.	Kentucky Jurisdictional Sales			1,848,287,754
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)	<u></u>	1.17181485
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(1,587,622)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: February 2011

1.	Last FAC Rate Billed			\$0.00160
2.	KWH Billed at Above Rate	•	<u> </u>	1,641,581,988
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	2,626,531
4.	KWH Used to Determine Last FAC Rate			2,171,295,898
5.	Non-Jurisdictional KWH (Included in Line 4)			322,313,820
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,848,982,078
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)			\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	2,958,371
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(331,840)
10.	Total Sales "Sm" (From Page 3 of 6)			1,724,874,871
11.	Kentucky Jurisdictional Sales		-	1,476,196,814
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)		1.16845861
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(387,741)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: March 2011

1.	Last FAC Rate Billed			(\$0.00002)
2.	KWH Billed at Above Rate			1,521,658,104
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	. \$	(30,433)
4.	KWH Used to Determine Last FAC Rate			2,165,851,031
5.	Non-Jurisdictional KWH (Included in Line 4)			317,563,277
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	***************************************	1,848,287,754
7.	Revised FAC Rate Billed, if prior period adjustment is ne	eded (See Note 1)	Section 6.00 Conference of the	\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	(36,966)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$ '	6,533
10.	Over Recovery Correction*			353,918
11.	Total Adjusted Over or (Under) Recovery	(Line 9 + Line 10)	\$	360,451
12.	Total Sales "Sm" (From Page 3 of 6)			1,707,207,991
13.	Kentucky Jurisdictional Sales			1,461,054,148
14.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 12 / Line 13)		1.16847688
15.	Total Company Over or (Under) Recovery	(Line 11 x Line 14)	\$	421,179

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

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: April 2011

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

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

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: May 2011

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

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: June 2011

1.	Last FAC Rate Billed	•		\$0.00029
2.	KWH Billed at Above Rate		•	1,525,640,447
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	442,436
4.	. KWH Used to Determine Last FAC Rate	•		1,490,352,072
5.	Non-Jurisdictional KWH (Included in Line 4)	•		203,406,862
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,286,945,210
7.	Revised FAC Rate Billed, if prior period adjustm	ent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	. \$	373,214
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	69,222
10.	Total Sales "Sm" (From Page 3 of 6)			1,779,169,014
11.	Kentucky Jurisdictional Sales	•	**************************************	1,536,130,589
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)	E	1.15821469
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	80,174

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: July 2011

1.	Last FAC Rate Billed		<u> </u>	\$0.00138
2.	KWH Billed at Above Rate			1,597,015,695
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	2,203,882
4.	KWH Used to Determine Last FAC Rate			1,573,514,629
5.	Non-Jurisdictional KWH (Included in Line 4)			219,281,338
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	-	1,354,233,291
7.	Revised FAC Rate Billed, if prior period adjustn	nent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	1,868,842
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	335,040
10.	Total Sales "Sm" (From Page 3 of 6)			2,026,370,618
11.	Kentucky Jurisdictional Sales	•		1,747,812,474
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)		1.1593753
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	388,437

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: August 2011

1.	Last FAC Rate Billed			\$0.00108
2.	KWH Billed at Above Rate			1,756,874,684
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	1,897,425
4.	KWH Used to Determine Last FAC Rate		Management of the	1,779,169,014
5.	Non-Jurisdictional KWH (Included in Line 4)		***************************************	243,038,425
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	F1000000000000000000000000000000000000	1,536,130,589
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)			\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	1,659,021
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	238,404
10.	Total Sales "Sm" (From Page 3 of 6)	•	*	1,983,922,032
11.	Kentucky Jurisdictional Sales		-	1,717,312,867
12.	Total Sales Divided by Kentucky Jurisdictional	Sales (Line 10 / Line 11)		1.15524787
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	275,416

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: September 2011

1.	Last FAC Rate Billed			\$0.00312
2.	KWH Billed at Above Rate			1,618,189,554
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	5,048,751
4.	KWH Used to Determine Last FAC Rate			2,026;370,618
5.	Non-Jurisdictional KWH (Included in Line 4)			278,558,144
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,747,812,474
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)			\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	_\$	5,453,175
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(404,424)
10.	Total Sales "Sm" (From Page 3 of 6)			1,567,929,086
11.	Kentucky Jurisdictional Sales			1,356,451,443
12.	Total Sales Divided by Kentucky Jurisdictional	Sales (Line 10 / Line 11)		1.15590506
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(467,476)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: October 2011

1.	Last FAC Rate Billed	,		\$0.00236
2.	KWH Billed at Above Rate		****	1,459,659,884
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	_\$	3,444,797
4.	KWH Used to Determine Last FAC Rate			1,983,922,032
5.	Non-Jurisdictional KWH (Included in Line 4)	•		266,609,165
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,717,312,867
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)			\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	_\$	4,052,858
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(608,061)
10.	Total Sales "Sm" (From Page 3 of 6)		•	1,581,918,011
11.	Kentucky Jurisdictional Sales			1,368,259,593
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)		1.15615342
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(703,012)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: November 2011

1.	Last FAC Rate Billed	•		\$0.00163
2.	KWH Billed at Above Rate	-	***********	1,256,720,738
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	2,048,455
4.	KWH Used to Determine Last FAC Rate	•		1,567,929,086
5.	Non-Jurisdictional KWH (Included in Line 4)			. 211,477,643
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,356,451,443
7.	Revised FAC Rate Billed, if prior period adjustn	nent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	_\$	2,211,016
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(162,561)
10.	Total Sales "Sm" (From Page 3 of 6)			1,629,615,195
11.	Kentucky Jurisdictional Sales			1,404,484,137
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)	·	1.16029448
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(188,619)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: December 2011

1.	Last FAC Rate Billed			(\$0.00210)
2.	KWH Billed at Above Rate			1,478,224,470
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	(3,104,271)
4.	KWH Used to Determine Last FAC Rate			1,581,918,011
5.	Non-Jurisdictional KWH (Included in Line 4)		bereits des West	213,658,418
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,368,259,593
7.	Revised FAC Rate Billed, if prior period adjust	tment is needed (See Note 1)	***************************************	\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	(2,873,345)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	_\$	(230,926)
10.	Total Sales "Sm" (From Page 3 of 6)			1,840,157,989
11.	Kentucky Jurisdictional Sales			1,581,401,921
12.	Total Sales Divided by Kentucky Jurisdictional	Sales (Line 10 / Line 11)		1.16362448
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(268,711)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: January 2012

1.	Last FAC Rate Billed			(\$0.00056)
2.	KWH Billed at Above Rate	,		1,612,798,139
3. ·	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	(903,167)
4.	KWH Used to Determine Last FAC Rate			1,629,615,195
5.	Non-Jurisdictional KWH (Included in Line 4)			225,131,058
6.	Kentucky Jurisdictional KWH	· (Line 4 - Line 5)	-	1,404,484,137
7.	Revised FAC Rate Billed, if prior period adjustm	ent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	(786,511)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(116,656)
10. ·	Total Sales "Sm" (From Page 3 of 6)			1,997,349,084
11.	Kentucky Jurisdictional Sales			1,715,250,942
12.	Total Sales Divided by Kentucky Jurisdictional S	ales (Line 10 / Line 11)		1.16446465
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(135,842)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: February 2012

1.	Last FAC Rate Billed			(\$0.00035)
2.	KWH Billed at Above Rate		No. of State and	1,703,648,389
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	(596,277)
4.	KWH Used to Determine Last FAC Rate			1,840,157,989
5.	Non-Jurisdictional KWH (Included in Line 4)			258,756,068
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	***************************************	1,581,401,921
7.	Revised FAC Rate Billed, if prior period adjustm	ent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	(553,491)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(42,786)
10.	Total Sales "Sm" (From Page 3 of 6)			1,793,717,493
11.	Kentucky Jurisdictional Sales		****	1,544,546,376
12.	Total Sales Divided by Kentucky Jurisdictional S	ales (Line 10 / Line 11)	Re-	1.16132317
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(49,688)

To Adjust Base Rates and FAC to Reflect a Full Year of the FAC Roll-In For the Twelve Months Ended December 31, 2011

 Adjustment to base rate revenues to reflect a full year of the FAC Roll-In (a) 		(8,025,302)
2. Adjustment to FAC revenues to reflect a full year of the FAC Roll-In (a)	**,	10,758,780
3. Net adjustment	\$	2,733,478

(a) FAC roll-in pursuant to Commission's Order dated May 31, 2011 in Case No. 2010-00492.

							Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011							
				B	ASE RATE ACTI	UAL FUEL ADJU	STMENT CLAU	SE BILLINGS					
					ASE ROLLE AGE								
Residential Rate	(1.788,988)	1,063,535	(10.031)	(74.369)	(212,446)	140,591	743,339	681,262 103	1.593,439	815,463 133	598.535 89	(1,064.716) (153)	2,485,614 282
Residential Rate RS	(301)	81	39	(9)	(30)	13 8	99 45	41	95	56	58	(112)	68
Volunteer Fire Departments Residential Net Metering	(196)	90	(1)	(5)	(12) (267)	161	953	955	1,970	1.079	753	(925)	3,815
Residential Three Phase	(1,668)	870	9	(77)	(207)	101							410,969
General Service				(10.591)	(33,462)	18.513	101.315	92,795	229.064	141.938	90,575	(131,505)	625,580
General Service	(208,939)	117,670	3,595	(13,729)	(50.312)	28,424	139.629	124,824	326,576	210,870	127,671	(174,240)	7
General Service Three Phase	(228,674)	131,170	3.371 6	(13,725)	(2)	1	8	8	15	12	10 20	(30)	61
General Service Net Metering	(41)	5 (12)	20	(2)	(9)	6	30	28	54	29	20	(30)	
General Service Net Metering Three Phase	(73)	(12)	20	(2)	• • •								
									1.568	1,272	892	(1,132)	5,363
All Electric School Rate	(2.804)	1.049	351	(101)	34	3,042	540	652 13,509	35,396	33,767	18.512	(17,347)	73,345
All Electric School Secondary	(34.987)	15,017	3,188	(1,669)	(5,987)	2,429	11.519	13,309	35,370	44	18	(14)	93
All Electric School Three Phase All Electric School Primary	(3)	2	(0)	(1)	(3)	1	'	,	6	35	23	(78)	(20)
All Electric School Primary All Electric School Primary Three Phase	(5)			-		•	-	•	•				
All Electric School Primary Titlee Phase	(-1												
Power Service Rate						37.581	211,396	191,421	492,282	339,137	199,903	(245,833)	981.591
Power Service Rate PSS - Secondary	(331,570)	172,264	12.348	(21.767)	(75,570)	25,484	155,592	143,914	385,595	280,301	168,310	(202,530)	780,480 205
Power Service Rate PSS - Secondary Power Factor	(240,216)	134.921	7,757	(16,787)	(61,859)	25,464	23	60	78	74	38	(20)	40.585
Power Service Rate PSS - Secondary Net Metering	(96)	50	(0)	(2)	(4) (2.707)	1,605	8,723	7.626	18.256	10,592	6.854	(9.429)	386,735
Power Service Rate PSP - Primary	(13,829)	12,755	415	(276) (11,404)	(37,890)	15.981	86,429	76,777	205,967	142,372	85,639	(99.911)	360,733
Power Service Rate PSP - Primary Power Factor	(174.832)	88.666	8,942	(11,404)	(37,070)	15.701					416.849	(485.029)	2,166,561
Time of Day Power Rate		374,948	15,904	(43,667)	(132,359)	46,628	402,604	356.439	1,011.592	802,126	49,686	(69,414)	233,675
Time-of-Day Service - TODS Secondary	(599,474)	43,700	(603)	(5.158)		10,315	49,680	45,426	117.766	77.690	47,000	(02,414)	
Time-of-Day Service - TODP Primary	(66,518)	43,700	(600)	(5.120)					389,985	419.527	223,572	(255,302)	924.760
Retail Transmission Service	(270,703)	190,526	(2,588)	(20.234)	(78,417)	38,300	154,708	135,386	128,993	183,405	71,472	(95,710)	337,540
Fluctuating Load Service	(86,378)	79,488	(899)	(7,381)	(27,400)	11.776	44.811	35,360	128,993	103.403	,,,,,		
							1	3	3	11	8	6	29
Lighting Rates			-	-	(1)		1 89	-	187	294		(40)	600
Outdoor Lighting Service - LE	(185)	(72)	79	(6)			9,254		26,507	26,193	19.083	(17,341)	50.402
Traffic Lighting Energy TE Outdoor Lights	(29,352)	8,300	3,273	(1.494)	(4.621)	939	9,234	7,037					
Odiator Espais					_				-	-	-	-	
Curtailable Service Rider Credits - Primary		-	-	-					•	•	-	•	
Curtailable Service Rider Credits - Transmission		-	•	-	-								
								1.016.366	4,965,648	3,486,420	2,078,754	(2.870,817)	9,508,341
Total	(4,079.833)	2,435,023	45.175	(228.729	(742,242)	381.783	2.120,794	1,916,366	4,703,040	357005780			

													TOTAL
	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	12 Mos. Ended
-			cur	ADJUSTMEN	T CLAUSE BILL	INGS REFLECT	ING BASE RATE	E ROLL-IN FOR A	FULL YEAR				
L			FUE	LADJUSTMEN	I CLAUSE DIEC.	LIGO ILLI DOGO							
FAC RATE CHARGED	(0 00215)	0 00160	(0 00002) 0 00086	(0.00017) 0.00086	(0 00059) 0.00086	0.00029 0.00086	0 00138	0 00108 0 00086	0 00312	0 00236	0 00163	(0.00210)	
FAC Rate Rolled in.	0 00086	0 00086		0 00069	0.00000	0 00115	0 00224	0 00194	0 00312	0 00236	0 00163	(0.00210)	
FAC Rate After Roll-in	(0.00129)	0 00246	0 00084	0 00009	0 00027	0 00115	0 00221						
Residential Rate					07.205	558.275	1,206,800	1.223.805	1,593,070	815,367	598,554	(1,065,622)	6,281,594
Residential Rate RS	(1,130,833)	1,636,000	446,835	302.036 44	97,305 16	87	181	179	225	131	87	(166)	963
Volunteer Fire Departments	(175)	275	77 33	18	5	30	73	73	95	57	58	(112)	354
Residential Net Metering	(115)	138	33 396	341	123	669	1,643	1,688	1.997	1,072	719	(1,127)	7.886
Residential Three Phase	(1.025)	1,389	396	341	123	-	••						
General Service				43,524	15,763	81.351	168,090	165,077	233,488	139,819	89,157	(138,613)	927,143
General Service	(129,767)	199,012	60,241	57.232	22,019	115,621	231,497	222.251	333.482	207,929	125,666	(183,929)	1,283,194
General Service Three Phase	(144,797)	222,060	74,163 9	57.232	22,019	7	15	14	19	10	9	(20)	91
General Service Net Metering	(23)	43	23	13		25	52	49	59	29	20	(37)	274
General Service Net Metering Three Phase	(41)	77	23	13	,								
All Electric School Rate				101	241	3,111	1,030	1.126	1,767	1,188	835	(1.427)	10.473
All Electric School Secondary	(1,659)	2.936	833	494	3,112	14,306	21,739	23,248	39,313	31,290	17,281	(22,914)	162,036
All Electric School Three Phase	(20,956)	35,711	11.614	8.291		14,300	11	8	36	44	18	(14)	118
All Electric School Primary	(2)	4	2	. 4	. '	-	-		6	35	23	(129)	(69)
All Electric School Primary Three Phase	(3)	-	•	-	-								
Power Service Rate					36,149	179,796	359.910	338,724	511,608	330,543	194,566	(270.479)	1,990,260
Power Service Rate PSS - Secondary	(207,268)	312,288	114,552	89.871	29,748	134,180	263,885	253,946	400,161	274,694	164.251	(222,200)	1.546,782
Power Service Rate PSS - Secondary Power Factor	(153.670)	240,359	88.284	73,146	29,748	154,180	70	91	153	59	30	(65)	396
Power Service Rate PSS - Secondary Net Metering	(58)	77	14	3,744	1,266	6,632	14.053	13,736	18,376	10,495	6.739	(9.962)	85,408
Power Service Rate PSP - Primary	(8.588)	24,459	4,460 62,087	49,291	18,598	78,036	151.887	134,107	214,367	140.297	83,860	(115.633)	881.251
Power Service Rate PSP - Primary Power Factor	(107,038)	171,393	62,087	49,291	10.370	10,050							
Time of Day Power Rate					67.110	333,864	738,711	629,554	1,035,695	793,445	411,325	(624,724)	4.061.107
Time-of-Day Service - TODS Secondary	(357,229)	621.360	233,500	182,166	63,440 8,680	40.904	81,020	79,990	117,766	77,690	49.343	(70,423)	458.225
Time-of-Day Service - TODP Primary	(40,210)	67,189	25.341	20,934	8,000	40,704	01,						1,827,200
5 T	(167,679)	353,542	108,701	84,091	38,499	151,881	251,121	243,187	390.009	412,304	216.847	(255,302)	1.827.2007
Retail Transmission Service	(101,017)						72.737	63,518	128,993	183,405	71,472	(95.710)	621,737
Fluctuating Load Service	(51.827)	122,213	37,740	29.957	12,539	46,699	12,131	03.510	120,775				
Lighting Rates						_	,	5	9	8	5	(7)	31
Outdoor Lighting Service LE			-	-	2	3	6 228	175	278	256	150	(201)	1,184
Traffic Lighting Energy — TE	(123)	196	68	53	21	85	18.072	16,408	30,203	24,631	17,438	(25,455)	119.483
Street Lighting	(17,913)	27.574	9,217	6,910	2,477	9,923	18,072	10.400	50,205				
			_			-		-	-	-	-		
Curtailable Service Rider Credits - Primary	:				-	-	-	-	-		-	-	
Curtailable Service Rider Credits - Transmission	•						3 693 553	3,410,959	5,051,175	3,444,797	2,048,453	(3,104,271)	20,267,122
Total	(2,540,999)	4,038,294	1,278,190	952,172	350,012	1.755,505	3,582.833	3,410,939	3,031,173	2,,,,,			
1 Viiii													

					May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mes. Ended
	Jan 2011	Feb 2011	Mar 2011	Apr 2011									
			INCREAS	ED FUEL ADJU	STMENT CLAUS	E BILLINGS RE	FLECTING BAS	E RATE ROLL-II	Y FOR A FULL Y	EAR			
!			Inches in										
Residential Rate							467 161	542,544	(369)	(96)	19	(906)	3,795,980
Residential Rate RS	658.156	572,465	456,866	376,404	309,751	417.684 73	463,461 82	76	8	(2)	(2)	(12)	681
Volunteer Fire Departments	126	194	39	53	47	22	28	32	0	I		0	286
Residential Net Metering	81	48	33	23 418	17 389	508	690	732	27	(7)	(34)	(202)	4,071
Residential Three Phase	643	519	388	418	307	500							
General Service				54.115	49,226	62,838	66,775	72,282	4.425	(2,119)	(1,418)	(7.108)	516,174
General Service	79,172	81,342	56,646	70,961	72,331	87,196	91,869	97,427	6,906	(2.941)	(2,005)	(9.689)	657.613 84
General Service Three Phase	83.877	90,890	70,791 3	70,961	4	7	8	6	4	(1)	(1)	(7)	212
General Service Net Metering	17 32	38 89	3	15	13	19	22	21	5	(1)	(0)	(8)	212
General Service Net Metering Three Phase	32	89	,										
All Electric School Rate					207	69	490	474	199	(85)	(57)	(295)	5,111
All Electric School Secondary	1,145	1,887	482	595	9.099	11.877	10,220	9,739	3,918	(2.476)	(1,231)	(5,566)	88.691 25
All Electric School Three Phase	14,031	20.695	8.427	9,960 5	9.099	4	4	4	-	0	-	0	(49)
All Electric School Primary	1		. 2	,	. '	• '			•	(0)		(51)	(471
All Electric School Primary Three Phase	3	•	•										
Power Service Rate					710	142,215	148,514	147,303	19.326	(8.594)	(5,337)	(24.646)	1,008,669
Power Service Rate PSS - Secondary	124,302	140,024	102,204	111.638 89.933	111,719 91,607	108,696	108,293	110,032	14,566	(5.607)	(4,059)	(19.670)	766,302 191
Power Service Rate PSS - Secondary Power Factor	86,546	105.438	80,527 15	89.933	6	11	46	32	74	(15)	(8)	(46) (534)	44,823
Power Service Rate PSS - Secondary Net Metering	39	27 11,703	4.045	4,020	3,973	5,027	5,329	6,109	120	(97)	(114) (1,779)	(15.721)	494,516
Power Service Rate PSP - Primary	5,2 41 67,795	82,727	53,144	60,695	56.488	62,055	65,458	57,330	8,400	(2.075)	(1,779)	(13.7217	
Power Service Rate PSP - Primary Power Factor	07.775	02(12)											
Time of Day Power Rate					195,799	287,236	336,107	273.115	24.103	(8,682)	(5.524)	(139,695)	1.894.546
Time-of-Day Service - TODS Secondary	242.245	246,411	217.596	225,834 26.092	27,574	30,589	31,341	34,564	0	0	(343)	(1.009)	224,550
Time-of-Day Service - TODP Primary	26,309	23.489	25,944	20.092	21,314	20,000					(6,724)	0	902,440
	103.023	163,016	111,289	104,325	116.916	113,580	96.413	107,801	24	(7.223)	(6.724)	· ·	
Retail Transmission Service	****			37,338	39.938	34.923	27,926	28.157	-	-	-	•	284.197
Fluctuating Load Service	34,551	42.725	38,638	37,336	39.730	34,723							
Lighting Rates					2	5	6	1	6	(3)			2 584
Outdoor Lighting Service LE	•		(12)	59		103	139	63	90	(38)			69,082
Traffic Lighting Energy - TE	62	267 19,274	5,944	8,404	7,098	8,984	8,818	6,748	3,696	(1,563)	(1,646)	(0.114)	07,002
Street Lighting	11.439	19.274	3,944	0.404								-	
Curtailable Service Rider Credits - Primary		i -	-	•	-	-	-	:	-		-		-
Curtailable Service Rider Credits - Frinary Curtailable Service Rider Credits - Transmission	-	-	-	-	-	•	•	-			(80.500)	(233,454)	10,758,780
	1,538,835	1,603,270	1,233,015	1,180,901	1,092.255	1,373,722	1.462.039	1.494.594	85,528	(41.623)	(30,300)	(233.434)	10,750,700

		Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
	1					B	ASE RATE ACT	AL BILLINGS						
	•													
Residential Rate						28,086,495	36,593,028	39,749,335	45,945,859	37,855,071	26,761,392	28,214,442	37,639,012	465,998,744
Residential Rate RS	RS	63,351,796	48,701,440	39.766.859	33.334.014 4.762	4.452	5,527	5,851	6,599	5,231	4,110	3.975	5.691	70,447
Volunteer Fire Departments	RSVFD	9,612	7.983	6.654	1,988	1,528	1,954	2,398	2.759	2,266	1,866	2.650	3,833	34.246
Residential Net Metering	RSNM	6,225	3.962	2,816 34,382	35,944	33.181	41,885	51,604	60,741	45,280	32,767	31,904	38,312	503.076
Residential Three Phase	RS3	56,413	40,663	34,382	33.744	33,101	*******							
													6,213,983	80,377,305
General Service		9.025,437	7,405,488	6.737.647	6.045.386	5,688,633	6,664,876	6.916.069	7,713,472	6.899.804	5,715,452	5,351,058 6,496,995	7,308,909	94,499,115
General Service	GS GS3	9.325,498	7,565,803	7.436.982	7.014.244	6,920,650	8,384,157	8.522.502	9,385,163	8,790,074	7,348,138	6,496,993	816	9,239
General Service Three Phase	GSNM	1,500	1,450	927	672	511	588	619	653	559	429	1.084	1,468	21,622
General Service Net Metering	GSNM GS3NM	2,632	2,574	2.305	1,603	1,443	1,858	1.915	2.089	1,587	1,064	1,004	1,400	*11
General Service Net Metering Three Phase	GPRIMIN	2,00,2	2.571											
											39,980	40.425	51,382	797,755
All Electric School Rate	AES	92,705	86,325	73.228	54,470	64,319	168,910	36.982	45.020	44,008 842,110	886,565	710,271	730,319	10,076,125
All Electric School Secondary All Electric School Three Phase	AES3	1.097.704	981,262	935,442	813,999	781,306	842,951	652,092	802.105 418	903	1.379	851	569	6.874
All Electric School Primary	AESP	246	258	290	505	504	478	474	+18	160	1.042	993	4,211	6,704
All Electric School Primary Three Phase	AES3P	180	33	33	53	-	•	-	•	100				
All Electric School Filliam (Times Filliam)														
Power Service Rate					2 210 (25	10.907.827	12.022.261	11,952,255	12,499,170	12,100,916	10,029,979	9,035,488	9,272,742	128,070.034
Power Service Rate PSS - Secondary	PSS	11,129,138	9,366.413	10.043,161	9.710.685 6.638.354	7,526,873	7,798,037	7,782,609	8,405,186	8,246,384	7,049,139	6,364,144	6,439,079	86,271,904
Power Service Rate PSS - Secondary Power Factor	PSSPF	7,292,104	6,145,876	6.584,118	1,201	1,207	1,416	2.866	3,985	4,080	3,098	2,662	3.112	30,337
Power Service Rate PSS - Secondary Net Metering	PSSNM	2,872	2,317	1,521 383,567	401,688	394,583	458,925	492.883	523,367	465,529	343,985	329.421	364.459	5,218,454 48,587,166
Power Service Rate PSP - Primary	PSP	443,736	616,310	4.322.899	4,155,941	4.456,669	4,359,897	4,249,039	4,190,097	4,248,643	3,495,284	3,052,047	3.157.539	48.387.100
Power Service Rate PSP - Primary Power Factor	PSPPF	4.743,749	4,155,362	4,322,077	4,133,741	4.450.007							16 200 116	190.950.657
Time of Day Power Rate		15 167 106	14,132,223	15.328.142	14.651.229	13,428,309	16,043,301	18,172,660	17.701,523	17.817.966	18,272,254	14.035.829	16,200,116 2,003,716	23,472.838
Time-of-Day Service - TODS Secondary	TODP	15.167,105	1,639,274	1,772,440	1,813,694	1.913.783	2,107,158	2,110,137	2,365,922	2,177,398	1,946,256	1,826.062	2,003.716	23,472.030
Time-of-Day Service - TODP Primary	TODS	1.796.998	1,039,274	1,772,440	1.012.071						2 222 505	6,901,028	6.167.497	81,915,518
	RTS	6,675,319	7,412,150	6,705,240	6,307,765	7.477,018	6.799,350	5,916,827	6.378.664	6.241.765	8.932.895	0,901,020	0,107.477	• • • • • • • • • • • • • • • • • • • •
Retail Transmission Service	KIS	0.073.317	1,412,131	41					1 660 261	1.919.432	3.621.994	1,951,899	2,003,185	25,183,815
Fluctuating Load Service	FLST	1,859,665	2,201,573	2,044,498	2,008,648	2.099.216	2,143.612	1,761.831	1,568,261	1.717.432	3,021,774	1,707,077		
Fluctuating Load Service	1 201													
Lighting Rates						240	155	158	136	150	183	179	187	1,518
Outdoor Lighting Service - LE	LE		-			369 6.908	6.586	10.070	8,551	8,404	9,747	8,619	8,884	96,705
Traffic Lighting Energy - TE	TE	8,179	6.959	7,046	6.751	1,870,550	1.868,895	1.853,973	1,862,885	1,855,213	1,858,894	1.863,410	1,858,173	22,327,195
Outdoor Lights	ODL	1,911,563	1,812,325	1.864,038	1,847,275	1,8/11,000	1,000,073	1.055.7.5	1,002,000					
341441 =1/1								_	-			-	-	-
Curtailable Service Rider Credits - Primary	CSRP	-		•	-	-		_		-		-	-	-
Curtailable Service Rider Credits - Transmission	CSRT	-	-	-		•	-							
														1.264.527.391
				104,054,236	94,850,872	91.666.333	106,315,805	110,245,149	119,472,625	109,572,932	96,357,894	86.225.952	99,477,195	1,264,327,391
Total		134,000,376	112.288,022	104,054,236	718,008,47	71,000,133	,							

					42011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
	_	Jan 2011	Feb 2011	Mar 2011	Apr 2011									
	г			FUE	L ADJUSTMEN	T CLAUSE BILL	INGS REFLECT	ING BASE RATE	ROLL-IN FOR	A FULL YEAR				
	D.C.	62,597,907	48,129,505	39,309,385	32,957,564	27,776,560	36,175,535	39,749,335	45,945,859	37,855,071	26.761.392 4.110	28.214.442 3.975	37,639,012 5,691	463,111.568 69,983
Residential Rate RS	RS RSVFD	9,495	7,887	6,574	4,706	4,400	5,463	5,851	6.599 2,759	5.231 2.266	1,866	2,650	3,833	34.026
Volunteer Fire Departments Residential Net Metering	RSNM	6.149	3.914	2,782	1.966	1.511	1,932 41,384	2,398 51,604	60.741	45,280	32,767	31.904	38.312	500,185
Residential Three Phase	RS3	55,730	40,177	33.976	35,519	32.791	41,364	31.004	00.741					
												5.351.058	6.213.983	79,994,253
General Service	GS	8,938,925	7,335,915	6,675,972	5,991,139	5,638,424	6,604,040	6.916,069	7.713.472	6.899.804 8.790.074	5,715,452 7,348,138	6.496,995	7.308.909	94,021,093
General Service	GS3	9,228,966	7,488,172	7,361.054	6,942,912	6.850,515	8.297,693	8,522,502	9,385,163 653	559	429	514	816	9.182
General Service Three Phase General Service Net Metering	GSNM	1,485	1,435	917	666	506	583 1,839	619 1,915	2.089	1.587	1,064	1,084	1,468	21,494
General Service Net Metering Three Phase	GS3NM	2,604	2.547	2,281	1,587	1,429	1.839	1,713	2,000					
												40.425	51,382	791,059
All Electric School Rate		91,599	85,299	72,375	53.855	63,550	166,583	36,982	45,020	44,008	39.980	710.271	730,319	10.006,835
All Electric School Secondary	AES AES3	1.083,733	968,777	923,551	803,665	771,394	832,253	652,092	802,105	842.110 903	886,565 1,379	851	569	6,856
All Electric School Three Phase	AESP	245	257	289	500	499	474	474	418	160	1.042	993	4,211	6.702
All Electric School Primary All Electric School Primary Three Phase	AES3P	178	33	33	53	-	-	-	•	100	1,042			
All Electric School Printary Three Plane	, 2005.													
Power Service Rate					9,598,672	10,792,686	11,887,805	11,952,255	12,499,170	12,100,916	10,029,979	9,035,488	9,272,742	127,343,793 85,708,782
Power Service Rate PSS - Secondary	PSS	10,990,960	9,257,239	9,925,881	6.547,187	7,432,122	7.697.694	7,782,609	8,405,186	8,246,384	7,049,139	6,364,144	6.439.079	30,230
Power Service Rate PSS - Secondary Power Factor	PSSPF	7.189,658	6,061,848	6,493,732 1,506	1,191	1,202	1,405	2.866	3.985	4.080	3.098	2,662	3,112 364,459	5,185,955
Power Service Rate PSS - Secondary Net Metering	PSSNM	2,833	607,759	379,002	397,022	390,551	453,965	492,883	523,367	465,529	343,985	329,421	3,157,539	48,213,296
Power Service Rate PSP - Primary	PSP	438.011	4.095.445	4,259,334	4.094,506	4,397,432	4,301,540	4.249,039	4,190,097	4.248.643	3.495.284	3,052.047	3,137,339	40.213.270
Power Service Rate PSP - Primary Power Factor	PSPPF	4,672,390	4,093,443	4,237,334	4,071,000									
m ch house Bare									17.701.523	17,817,966	18,272,254	14.035,829	16,200,116	189,577.432
Time of Day Power Rate Time-of-Day Service - TODS Secondary	TODP	14.928.952	13,914,999	15,089,083	14,424,181	13,226,239	15,793.629	18.172,660	2,365,922	2,177,398	1,946,256	1,826,062	2,003,716	23,312,270
Time-of-Day Service - TODS Secondary	TODS	1,770,191	1,615,786	1,746,496	1,787,602	1.886,135	2,076,569	2.110,137	2,303,722	2,177,370	127 12122			
time-de-Day Service - 1001 11mm						7 254 703	6,685,769	5,916,827	6,378,664	6,241,765	8,932,895	6,901.028	6.167.497	81.227.831
Retail Transmission Service	RTS	6,563,533	7,288,554	6,593,951	6,202,956	7,354,392	0,065,707	3.710,027	0,5 - 2,0					24.066.202
	FLST	1,825,114	2.158.848	2.005.860	1,971,310	2,059,277	2.108.689	1,761.831	1,568,261	1,919,432	3,621,994	1,951,899	2,003,185	24.955.702
Fluctuating Load Service	LF21	1,023,114	2,150.010											
Lighting Rates								158	136	150	183	179	187	1,509
Outdoor Lighting Service — LE	LE	-			• .	363	153		8,551	8,404	9,747	8,619	8.884	96,288
Traffic Lighting Energy – TE	TE	8,097	6.891	6.977	6.685	6,840	6,523	10,070	1,862,885	1.855,213	1.858.894	1,863,410	1,858,173	22.275.766
Street Lighting	ODL	1,902,780	1,804,005	1,855,436	1.838.766	1,861.926	1,860,305	1.853,973	1,802,883	1,033,213	1,050,05			
Succi Lighting											-	-	-	-
Curtailable Service Rider Credits - Primary	CSRP	-	-	-	-	-		-			-		-	•
Curtailable Service Rider Credits - Transmission	CSRT		-	-	•	•	-							1 266 602 009
			110 077 601	102,746,448	93,664,209	90,550,745	105.001.822	110,245,149	119.472.625	109,572,932	96.357,894	86.225.952	99.477.195	1,256,502,088
Total		132,309,536	110,877,581	102,740,448	93,004,209	30,350,745								

		Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
	-	JMD 2011	Len Tott											
	Г			DECREASED	BASE RATE BI	ILLINGS REFLE	CTING THE FU	EL ADJUSTME	NT CLAUSE ROL	L-IN FOR A FU	LL YEAR			
	-													
Residential Rate		(men 000)	(571,935)	(457,474)	(376,451)	(309,936)	(417,493)	_	-	-		-	•	(2,887,176)
Residential Rate RS	RS RSVFD	(753,888) (117)	(96)	(79)	(55)	(52)	(65)	-		-	-	-	-	(464)
Volunteer Fire Departments Residential Net Metering	RSNM	(76)	(48)	(33)	(23)	(17)	(22)	-	-	-	-	-	-	(220)
Residential Three Phase	RS3	(683)	(486)	(406)	(425)	(391)	(501)	-	•	-	-	-	-	(2.892)
General Service					(61.317)	(50,209)	(60,836)		_		_			(383,052)
General Service	GS	(86.511)	(69,573)	(61,676)	(54.247) (71,333)	(70,134)	(86,464)	-			_		-	(478,022)
General Service Three Phase	GS3	(96.531)	(77.631)	(75.928) (9)	(6)	(5)	(6)	-		-	-	-	-	(57)
General Service Net Metering	GSNM	(16)	(15) (27)	(24)	(16)	(14)	(19)	•:	_		_	-	-	(128)
General Service Net Metering Three Phase	GS3NM	(28)	(27)	(24)	(10)	(147	(***)							
All Electric School Rate														
All Electric School Secondary	AES	(1,106)	(1,026)	(852)	(616)	(769)	(2,326)	-	-	-	-	•	-	(6,695)
All Electric School Three Phase	AES3	(13,971)	(12,484)	(11,891)	(10,334)	(9,912)	(10,698)		-	-	-	-	-	(69,290)
All Electric School Primary	AESP	(1)	(1)	(2)	(5)	(4)	(4)	-	-	•		•	•	(18)
All Electric School Primary Three Phase	AES3P	(2)	-	-	•		-	-	-	•	-	-	-	(2)
Power Service Rate														(726,242)
Power Service Rate PSS - Secondary	PSS	(138.178)	(109,174)	(117,279)	(112,013)	(115.141)	(134,456)	-	•	-	•	•	•	(563,122)
Power Service Rate PSS - Secondary Power Factor	PSSPF	(102,447)	(84,028)	(90,386)	(91,167)	(94,751)	(100.343)	-	-	•	-	•		(107)
Power Service Rate PSS - Secondary Net Metering	PSSNM	(39)	(27)	(15)	(10)	(6)	(11)	-	-	-	•	-		(32,499)
Power Service Rate PSP - Primary	PSP	(5,725)	(8.551)	(4.566)	(4,666)	(4.032)	(4.959)	-	-	-	•	-		(373,870)
Power Service Rate PSP - Primary Power Factor	PSPPF	(71,358)	(59.918)	(63,565)	(61.435)	(59.237)	(58.357)	-	•	•	•	-	-	(3/3.0/4)
Time of Day Power Rate		(0.00 1.63)	(212 222)	(239.059)	(227.048)	(202,069)	(249,672)	-	-	_	-		-	(1,373.225)
Time-of-Day Service - TODS Secondary	TODP	(238,153)	(217.223) (23,489)	(25,944)	(26,092)	(27,648)	(30,589)	-	-		-	-	-	(160,568)
Time-of-Day Service - TODP Primary	TODS	(26,806)	(23,467)	(23.744)	(20.072)	(21.010)	(201201)							
Retail Transmission Service	RTS	(111,786)	(123,596)	(111,289)	(104,809)	(122,626)	(113,580)	-	-		-	-	-	(687.687)
Retail Frankhission Service	1013	(711.700)	(12333737	(**************************************	••									(228.113)
Fluctuating Load Service	FLST	(34,551)	(42,725)	(38.638)	(37,338)	(39.938)	(34.923)	•	•	•	•	-	-	(228.113)
Tuotasing 2000 over the														
Lighting Rates														(8)
Outdoor Lighting Service - LE	LE	•	-	-		(6)	(2)	-	•		_		_	(417)
Traffic Lighting Energy - TE	TE	(82)	(68)	(69)	(66)	(68)	(63) (8,591)	•	•			-	-	(51,429)
Street Lighting	ODL	(8,783)	(8.320)	(8,602)	(8,510)	(8,624)	(8.391)	•	•	_				·
	CCRR			_	-		_	-	-	-	-	-		-
Curtailable Service Rider Credits - Primary	CSRP CSRT	-	-	-	:		-		-	-	-		-	-
Curtailable Service Rider Credits - Transmission	CSKI	•	-	-	-									
		(1,690,840)	(1,410,441)	(1,307,788)	(1,186,663)	(1,115,588)	(1,313.983)	-	-	-	-	-	-	(8.025,302)
		(1,0,0,0,01)	(**************************************	(

KENTUCKY UTILITIES

Adjustment to Eliminate Environmental Surcharge Revenues and Expenses For the Twelve Months Ended December 31, 2011

	(1)	(2)	(3)	(4)	(5)
	Revenues	Expenses	Expenses Roll-In	Net	
	Environmental	Environmental	Environmental	Expenses	Net
Expense Month	Compliance Plans (a)	Compliance Plans (b)	Compliance Plans (c)	(Col. 2 + 3)	(Col. 1 - 4)
Jan-I l	5,407,256	5,405,299	(2,139,510)	3,265,789	
Feb-11	3,026,209	5,918,947	(2,139,510)	3,779,437	
Mar-11	169,800	5,992,096	(2,139,510)	3,852,586	
Apr-11	2,360,485	5,623,331	(2,139,510)	3,483,821	
May-11	2,471,733	5,865,737	(2,139,510)	3,726,227	
Jun-11	3,699,167	6,103,676	(2,139,510)	3,964,166	
Jul-11	4,011,785	5,974,461	(2,139,510)	3,834,951	
Aug-11	3,072,496	6,556,599·	(2,139,510)	4,417,089	
Sep-11	2,188,184	5,920,213	(2,139,510)	3,780,703	
Oct-11	1,928,584	5,767,324	(2,139,510)	3,627,814	
Nov-11	2,749,517	6,090,400	(2,139,510)	3,950,890	
Dec-11	3,531,568	6,183,636	(2,139,510)	4,044,126	
	\$ 34,616,785	\$ 71,401,719	\$ (25,674,120)	\$ 45,727,599	
Kentucky Jurisdic	tion (Ref. Sch. Allocators)			86.677%	
Total	\$ 34,616,785			\$ 39,635,311	\$ (5,018,526)
Adjustment	\$ (34,616,785)			\$ (39,635,311)	\$ 5,018,526

- (a) ES Form 3.00, Column 6.
- (b) ES Form 2.00, Total Pollution Control Operations Expense less Proceeds from By-Product and Allowance Sales.
- (c) ECR Roll-in pursuant to Commission's Order dated December 2, 2009 in Case No. 2009-00310. Determination of Expenses Roll-In (Attachment to Response to Question No. 6 (a)(c)):

Total Pollution Control Operating Expenses	\$ 34,445,958
2. Less Total Pollution Control Operating Expenses '01 & '03 Plans	(9,072,379)
3 Less Gross Proceeds from By-Product & Allowance Sales	300,541
4 Total Expenses Roll-In excluding '01 & '03 Plans	\$ 25,674,120

Revenue Requirements of Environmental Compliance Costs For the Expense Month of January 2011

Determination of Environmental Compliance Rate Base

		Enviromental Compliance F				
Eligible Pollution Control Plant	1 \$	1,252,593,579				
Eligible Pollution CWIP Excluding AFUDC		120,351,944				
Subtotal			\$	1,372,945,523		
Additions:						
Inventory - Limestone	\$	915,541				
Less: Limestone Inventory in base rates		76,473				
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33		557,137				
Less: Allowance Inventory Baseline		69,415				
Net Emission Allowance Inventory		487,722				
Cash Working Capital Allowance		1,906,078				
Subtotal				3,232,868		
Deductions:						
Accumulated Depreciation on Eligible Pollution Control Plant		75,134,023				
Pollution Control Deferred Income Taxes		55,677,458				
Pollution Control Deferred Investment Tax Credit		27,533,594				
Subtotal .				158,345,075		
Environmental Compliance Rate Base			\$	1,217,833,316		

Determination of Pollution Control Operating Expenses

			riromental oliance Plan
Monthly Operations & Maintenance Expense	\$	S	1,627,292
Monthly Depreciation & Amortization Expense			3,579,198
Monthly Taxes Other Than Income Taxes			162,365
Monthly Insurance Expense			-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33			9,222
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)			4,862
Net Recoverable Emission Allowance Expense			4,360
Monthly Surcharge Consultant Fee			
Total Pollution Control Operations Expense	\$		5,373,215

Determination of Beneficial Reuse Operating Expenses

	Environn	nental	
	Compliance Pl		
Total Monthly Beneficial Reuse Expense	\$	-	
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-	
-100-170			
Net Beneficial Reuse Operations Expense	\$	-	

	Total Proceeds		Amount in Base Rates		Net Proceeds
	(1)		(2)		(1) - (2)
Allowance Sales	\$	12,727	\$	-	\$ 12,727
Scrubber By-Products Sales		5,786		50,597	(44,811)
Total Proceeds from Sales	\$	18,513	\$	50,597	\$ (32,084)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of February 2011

Determination of Environmental Compliance Rate Base

		pliance Plan		
Eligible Pollution Control Plant	\$ 1	,252,593,579		
Eligible Pollution CWIP Excluding AFUDC		123,872,733		
Subtotal			\$	1,376,466,312
Additions:				
Inventory - Limestone	\$	704,986		
Less: Limestone Inventory in base rates		76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33		548,746		
Less: Allowance Inventory Baseline		69,415		
Net Emission Allowance Inventory		479,331		
Cash Working Capital Allowance		1,989,279		
Subtotal				3,097,123
Deductions:				
Accumulated Depreciation on Eligible Pollution Control Plant	L	79,045,364		
Pollution Control Deferred Income Taxes		59,015,174		
Pollution Control Deferred Investment Tax Credit		27,465,981		
Subtotal				165,526,519
Environmental Compliance Rate Base			\$	1,214,036,916

Determination of Pollution Control Operating Expenses

	1	nviromental mpliance Plan
Monthly Operations & Maintenance Expense	\$	1,839,149
Monthly Depreciation & Amortization Expense		3,901,476
Monthly Taxes Other Than Income Taxes		162,365
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		8,495
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense		3,633
Monthly Surcharge Consultant Fee		
Total Pollution Control Operations Expense	\$	5,906,623

Determination of Beneficial Reuse Operating Expenses

Determination of Denencial Rease Operating Expenses			
	Environme		
	Compliance P		
Total Monthly Beneficial Reuse Expense	\$		
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)			
Net Beneficial Reuse Operations Expense	\$	-	

	Total Proceeds	Amount in Base Rates		Net Proceeds
	(1)		(2)	(1) - (2)
Allowance Sales	\$ -	\$	-	\$ -
Scrubber By-Products Sales	38,274		50,597	(12,324)
Total Proceeds from Sales	\$ 38,274	\$	50,597	\$ (12,324)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of March 2011

Determination of Environmental Compliance Rate Base

		Е	pliance Plan		
Eligible Pollution Control Plant	T	\$ 1,25	52,593,579		
Eligible Pollution CWIP Excluding AFUDC		13	31,087,969		
Subtotal				\$	1,383,681,548
Additions:					
Inventory - Limestone		\$	771,146		
Less: Limestone Inventory in base rates			76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33			539,862		
Less: Allowance Inventory Baseline			69,415		
Net Emission Allowance Inventory			470,447		
Cash Working Capital Allowance			2,064,001		
Subtotal					3,229,121
Deductions:					
Accumulated Depreciation on Eligible Pollution Control Plant		8	32,956,704		
Pollution Control Deferred Income Taxes		6	2,352,891		
Pollution Control Deferred Investment Tax Credit		2	7,465,981		
Subtotal .					172,775,576
Environmental Compliance Rate Base				\$	1,214,135,093

Determination of Pollution Control Operating Expenses

	 Enviromental ompliance Plan
Monthly Operations & Maintenance Expense	\$ 1,628,590
Monthly Depreciation & Amortization Expense	3,901,476
Monthly Taxes Other Than Income Taxes	162,365
Monthly Insurance Expense	-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)	8,885
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)	4,862
Net Recoverable Emission Allowance Expense	4,023
Monthly Surcharge Consultant Fee	
Total Pollution Control Operations Expense	\$ 5,696,454

Determination of Beneficial Reuse Operating Expenses

2 december 3. December 1. december 2. dece		
	Environmental	
	Compliance 1	Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

	Total	Amount in	Net
	Proceeds	Base Rates	Proceeds
	(1)	(2)	(1) - (2)
Allowance Sales	\$ 3,293	\$ 286,166	\$ (282,873)
Scrubber By-Products Sales	37,829	50,597	(12,769)
Total Proceeds from Sales	\$ 41,122	\$ 336,763	\$ (295,642)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of April 2011

Determination of Environmental Compliance Rate Base

	Enviromental	pliance Plan	
Eligible Pollution Control Plant	\$ 1,252,797,141		
Eligible Pollution CWIP Excluding AFUDC	136,368,498		
Subtotal		\$	1,389,165,639
Additions:			
Inventory - Limestone	\$ 781,592		
Less: Limestone Inventory in base rates	76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	530,627		
Less: Allowance Inventory Baseline	69,415		
Net Emission Allowance Inventory	461,212		
Cash Working Capital Allowance	2,149,034		
Subtotal			3,315,365
Deductions:			
Accumulated Depreciation on Eligible Pollution Control Plant	86,868,281		
Pollution Control Deferred Income Taxes	65,694,618		
Pollution Control Deferred Investment Tax Credit	27,341,841		
Subtotal			179,904,740
Environmental Compliance Rate Base		\$	1,212,576,264

Determination of Pollution Control Operating Expenses

	_	nviromental mpliance Plan
Monthly Operations & Maintenance Expense	\$	1,592,835
Monthly Depreciation & Amortization Expense		3,901,712
Monthly Taxes Other Than Income Taxes	T	162,365
Monthly Insurance Expense	T	-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		9,235
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense	T	4,373
Monthly Surcharge Consultant Fee		
Total Pollution Control Operations Expense	\$	5,661,285

Determination of Beneficial Reuse Operating Expenses

	Environmen	tal
	Compliance P	lan l
Total Monthly Beneficial Reuse Expense	\$	- 1
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

	Total		Amount in			Net
	Proceeds		Base Rates		Base Rates Procee	
	(1)		(2)		(1) - (2)	
Allowance Sales	\$	-	\$	-	\$	-
Scrubber By-Products Sales		88,551		50,597		37,954
Total Proceeds from Sales	\$	88,551	\$	50,597	\$	37,954

Revenue Requirements of Environmental Compliance Costs For the Expense Month of May 2011

Determination of Environmental Compliance Rate Base

	Enviromenta	l Con	pliance Plan
Eligible Pollution Control Plant	\$ 1,252,797,141		
Eligible Pollution CWIP Excluding AFUDC	142,424,012		
Subtotal		\$	1,395,221,153
Additions:			
Inventory - Limestone	\$ 689,930	4	
Less: Limestone Inventory in base rates	76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	523,248		
Less: Allowance Inventory Baseline	69,415		
Net Emission Allowance Inventory	453,833		
Cash Working Capital Allowance	2,224,234		
Subtotal			3,291,524
Deductions:			
Accumulated Depreciation on Eligible Pollution Control Plant	90,780,094		
Pollution Control Deferred Income Taxes	69,036,294		
Pollution Control Deferred Investment Tax Credit	27,341,841		
Subtotal			187,158,229
Environmental Compliance Rate Base		\$	1,211,354,448

Determination of Pollution Control Operating Expenses

	Enviromental Compliance Pla	
Monthly Operations & Maintenance Expense	\$	1,790,381
Monthly Depreciation & Amortization Expense		3,901,949
Monthly Taxes Other Than Income Taxes		162,365
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		7,409
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense		2,547
Monthly Surcharge Consultant Fee .		
Total Pollution Control Operations Expense	\$	5,857,242

Determination of Beneficial Reuse Operating Expenses

Determination of Beneficial Reuse Operating Expenses		
	Envi	ronmental
	Comp	liance Plan
Total Monthly Beneficial Reuse Expense	\$	_
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

	Total	Amou	Amount in		Net		
	Proceeds	Base F	Base Rates		Proceeds		
	(1)	(2)	(2)		(2) (1) - (2		(1) - (2)
Allowance Sales	\$ -	\$	-	\$	-		
Scrubber By-Products Sales	42,10	2	50,597		(8,495)		
Total Proceeds from Sales	\$ 42,10	2 \$	50,597	\$	(8,495)		

Revenue Requirements of Environmental Compliance Costs For the Expense Month of June 2011

	 Enviromental Compliance Plan			
Eligible Pollution Control Plant	\$ 1,	264,238,872		
Eligible Pollution CWIP Excluding AFUDC		140,939,582		
Subtotal			\$	1,405,178,454
Additions:				
Inventory - Limestone	\$	619,310		
Less: Limestone Inventory in base rates		76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33		512,262		
Less: Allowance Inventory Baseline		69,415		
Net Emission Allowance Inventory		442,847		
Cash Working Capital Allowance		2,310,811		
Subtotal				3,296,495
Deductions:				
Accumulated Depreciation on Eligible Pollution Control Plant .		94,683,811		
Pollution Control Deferred Income Taxes		72,367,195		
Pollution Control Deferred Investment Tax Credit		27,217,701		
Subtotal				194,268,707
Environmental Compliance Rate Base			\$	1,214,206,242

Determination of Pollution Control Operating Expenses

		nviromental mpliance Plan
Monthly Operations & Maintenance Expense	\$	2,005,186
Monthly Depreciation & Amortization Expense		3,920,254
Monthly Taxes Other Than Income Taxes		162,352
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		11,026
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense	Γ	6,164
Monthly Surcharge Consultant Fee		
Total Pollution Control Operations Expense	\$	6,093,956

Determination of Beneficial Reuse Operating Expenses

Determination of Beneficial Reast Operating Expenses		
	Envi	ironmental
	Comp	oliance Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

	Total Proceeds		Amount in Base Rates		Net Proceeds
		(1)		(2)	(1) - (2)
Allowance Sales	\$	-	\$	-	\$ -
Scrubber By-Products Sales		40,878		50,597	(9,720)
Total Proceeds from Sales	\$	40,878	\$	50,597	\$ (9,720)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of July 2011

Determination of Environmental Compliance Rate Base

	Enviromental Compliance Plan			
Eligible Pollution Control Plant	\$ 1,264,238,872			
Eligible Pollution CWIP Excluding AFUDC	146,734,588			
Subtotal		\$	1,410,973,460	
Additions:				
Inventory - Limestone	\$ 563,097			
Less: Limestone Inventory in base rates	76,473			
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	501,264			
Less: Allowance Inventory Baseline	69,415			
Net Emission Allowance Inventory	431,849			
Cash Working Capital Allowance	2,368,745			
Subtotal			3,287,217	
Deductions:				
Accumulated Depreciation on Eligible Pollution Control Plant	98,633,052			
Pollution Control Deferred Income Taxes	75,718,218			
Pollution Control Deferred Investment Tax Credit	27,217,701			
Subtotal			201,568,971	
Environmental Compliance Rate Base		\$	1,212,691,706	

Determination of Pollution Control Operating Expenses

		nviromental mpliance Plan
Monthly Operations & Maintenance Expense	T\$	1,865,556
Monthly Depreciation & Amortization Expense		3,939,299
Monthly Taxes Other Than Income Taxes	T	162,352
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		11,050
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)	T	4,862
Net Recoverable Emission Allowance Expense	T	6,188
Monthly Surcharge Consultant Fee		
Total Pollution Control Operations Expense	\$	5,973,395

Determination of Beneficial Reuse Operating Expenses

	Envir	onmental
	Compl	iance Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

	Total		Amount in		Net	
	<u> </u>	Proceeds Base Rates		Proceeds		
	(1)		(2)			(1) - (2)
Allowance Sales	\$	-	\$	•	\$	-
Scrubber By-Products Sales		49,531		50,597		(1,066)
Total Proceeds from Sales	\$	49,531	\$	50,597	\$	(1,066)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of August 2011

Determination of Environmental Compliance Rate Base

		Enviromental Compliance Plan		
Eligible Pollution Control Plant		\$ 1,264,238,8	372	
Eligible Pollution CWIP Excluding AFUDC		154,525,8	396	
Subtotal			\$	1,418,764,768
Additions:				
Inventory - Limestone		\$ 614,2		
Less: Limestone Inventory in base rates		76,4		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33		490,2		
Less: Allowance Inventory Baseline		69,4		
Net Emission Allowance Inventory		420,8		
Cash Working Capital Allowance		2,464,2	257	
Subtotal				3,422,855
Deductions:				
Accumulated Depreciation on Eligible Pollution Control Plant		102,582,2	293	
Pollution Control Deferred Income Taxes		79,069,2	241	
Pollution Control Deferred Investment Tax Credit		27,217,7	701	
Subtotal	•			208,869,235
Environmental Compliance Rate Base			\$	1,213,318,388

Determination of Pollution Control Operating Expenses

	Enviromental Impliance Plan
Monthly Operations & Maintenance Expense	\$ 2,435,952
Monthly Depreciation & Amortization Expense	3,939,299
Monthly Taxes Other Than Income Taxes	162,352
Monthly Insurance Expense	
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)	11,046
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)	4,862
Net Recoverable Emission Allowance Expense	6,184
Monthly Surcharge Consultant Fee	
Total Pollution Control Operations Expense	\$ 6,543,787

Determination of Reneficial Reuse Operating Expenses

Determination of Beneficial Reuse Operating Expenses		
	Enviro	nmental
	Complia	ince Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense		-

Proceeds From By-Product and Anowance Sales	Tota	ı	Amount in	Net	
	Proce		Base Rates		Proceeds
	(1)		(2)		(1) - (2)
Allowance Sales	[\$	- \$	-	\$	-
Scrubber By-Products Sales		37,785	50,597		(12,812)
Total Proceeds from Sales	\$	37,785 \$	50,597	\$	(12,812)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of September 2011

Determination of Environmental Compliance Rate Base

Determination of Distriction Composition Nate Dasc		
	Enviromenta	l Compliance Plan
Eligible Pollution Control Plant	\$ 1,264,238,872	
Eligible Pollution CWIP Excluding AFUDC	159,344,971	
Subtotal		\$ 1,423,583,843
Additions:		
Inventory - Limestone	\$ 612,729	
Less: Limestone Inventory in base rates	76,473	
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	481,593	
Less: Allowance Inventory Baseline	69,415	
Net Emission Allowance Inventory	412,178	
Cash Working Capital Allowance	2,523,192	
Subtotal		3,471,626
Deductions:		
Accumulated Depreciation on Eligible Pollution Control Plant	106,531,533	
Pollution Control Deferred Income Taxes	82,419,799	
Pollution Control Deferred Investment Tax Credit	27,217,701	
Subtotal		216,169,033
Environmental Compliance Rate Base		\$ 1,210,886,436

Determination of Pollution Control Operating Expenses

	1	Enviromental ompliance Plan
Monthly Operations & Maintenance Expense	\$	1,788,869
Monthly Depreciation & Amortization Expense		3,939,299
Monthly Taxes Other Than Income Taxes		162,352
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		7,836
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense		2,974
Monthly Surcharge Consultant Fee - Case No. 2011-00161		16,425
Total Pollution Control Operations Expense	.\$	5,909,919

Determination of Beneficial Reuse Operating Expenses

Determination of Denominating Reads of Personal Property of Proper		
	Enviro	onmental
	Compli	ance Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

	F	Total Proceeds	Amount in Base Rates	Net Proceeds
		(1)	(2)	(1) - (2)
Allowance Sales	\$	864	\$ -	\$ 864
Scrubber By-Products Sales		39,439	50,597	(11,158)
Total Proceeds from Sales	\$	40,303	\$ 50,597	\$ (10,294)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of October 2011

Determination of Environmental Compliance Rate Base

	Enviromental Compliance			
Eligible Pollution Control Plant	\$ 1,264,238,872			
Eligible Pollution CWIP Excluding AFUDC	182,770,493			
Subtotal		\$	1,447,009,365	
Additions:				
Inventory - Limestone	 589,086			
Less: Limestone Inventory in base rates	76,473			
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	471,469			
Less: Allowance Inventory Baseline	69,415			
Net Emission Allowance Inventory	402,054			
Cash Working Capital Allowance	2,609,648			
Subtotal			3,524,315	
Deductions:				
Accumulated Depreciation on Eligible Pollution Control Plant	110,480,774			
Pollution Control-Deferred Income Taxes	85,770,356			
Pollution Control Deferred Investment Tax Credit	27,217,701			
Subtotal			223,468,831	
Environmental Compliance Rate Base		\$	1,227,064,849	

Determination of Pollution Control Operating Expenses

	Enviromental Compliance Pla		
Monthly Operations & Maintenance Expense	\$	1,589,445	
Monthly Depreciation & Amortization Expense		3,939,299	
Monthly Taxes Other Than Income Taxes		162,352	
Monthly Insurance Expense		_	
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		10,133	
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862	
Net Recoverable Emission Allowance Expense		5,271	
Monthly Surcharge Consultant Fee - Case No. 2011-00161		61,393	
Total Pollution Control Operations Expense	\$	5,757,759	

Determination of Beneficial Reuse Operating Expenses

	E	invironmental
	Co	ompliance Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

	Total Amount in			Net		
		Proceeds Base Rates		Base Rates	Proceeds	
		(1)		(2)		(1) ~ (2)
Allowance Sales	\$	-	\$	-	\$	-
Scrubber By-Products Sales		41,032		50,597		(9,565)
Total Proceeds from Sales	\$	41,032	\$	50,597	\$	(9,565)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of November 2011

Determination of Environmental Compliance Rate Base

Determination of Environmental Compilance Rate Base					
		Enviromental Compliance Plan			
Eligible Pollution Control Plant] 9	1,264,238,872			
Eligible Pollution CWIP Excluding AFUDC		188,754,688			
Subtotal			\$	1,452,993,560	
Additions:					
Inventory - Limestone	9	661,141			
Less: Limestone Inventory in base rates		76,473			
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33		460,727			
Less: Allowance Inventory Baseline		69,415			
Net Emission Allowance Inventory		391,312			
Cash Working Capital Allowance		2,725,817			
Subtotal				3,701,797	
Deductions:					
Accumulated Depreciation on Eligible Pollution Control Plant		114,430,015			
Pollution Control Deferred Income Taxes		89,120,914			
Pollution Control Deferred Investment Tax Credit		27,155,631			
Subtotal				230,706,560	
Environmental Compliance Rate Base			\$	1,225,988,797	

Determination of Pollution Control Operating Expenses

	Enviromental Compliance Pla		
Monthly Operations & Maintenance Expense	\$	1,970,117	
Monthly Depreciation & Amortization Expense		3,939,299	
Monthly Taxes Other Than Income Taxes	T	162,352	
Monthly Insurance Expense		-	
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		10,743	
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862	
Net Recoverable Emission Allowance Expense		5,881	
Monthly Surcharge Consultant Fee - Case No. 2011-00161		8,480	
Total Pollution Control Operations Expense	\$	6,086,129	

Determination of Beneficial Reuse Operating Expenses

Determination of Beneficial Reuse Operating Expenses		
	Envi	ronmental
	Comp	liance Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		_
Net Beneficial Reuse Operations Expense	\$	-

Proceeds From By-Product and Allowance Sales

	Total		Amount in		Net	
	Proceeds Base Rate		lase Rates	Proceeds		
	(1)		(2)			(1) - (2)
Allowance Sales	\$	``	\$	+	\$	-
Scrubber By-Products Sales		46,327		50,597		(4,271)
Total Proceeds from Sales	\$	46,327	\$	50,597	\$	(4,271)

\$

Revenue Requirements of Environmental Compliance Costs For the Expense Month of December 2011

Determination of Environmental Compliance Rate Base

Determination of Environmental Computance Nate Dase						
	Pre-2011 Er	viromental	Compliance Plans	2011 Environ	ental Co	mpliance Plan
Eligible Pollution Control Plant	\$ 1,316,4	50,254		\$ -		
Eligible Pollution CWIP Excluding AFUDC	160,1	17,611		19,254,28	2	
Subtotal		\$	1,476,567,865		\$	19,254,282
Additions:						
Inventory - Limestone	\$ 70	08,595				
Less: Limestone Inventory in base rates		76,473				
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	4:	50,225				
Less: Allowance Inventory Baseline		59,415				
Net Emission Allowance Inventory	38	30,810				
Cash Working Capital Allowance	2,64	19,591		115,07	3	
Subtotal			3,662,522			115,073
Deductions:						
Accumulated Depreciation on Eligible Pollution Control Plant	118,4	57,818				
Pollution Control Deferred Income Taxes	92,90	60,020	,	-		
Pollution Control Deferred Investment Tax Credit	27,1:	55,631				
Subtotal			238,573,469			
Environmental Compliance Rate Base		\$	1,241,656,918		\$	19,369,355

Determination of Pollution Control Operating Expenses

	Pre-2011	
	Environmental	2011 Environmental
	Compliance Plan	Compliance Plan
Monthly Operations & Maintenance Expense	\$ 1,063,355	\$ 920,585
Monthly Depreciation & Amortization Expense	4,017,862	<u>-</u>
Monthly Taxes Other Than Income Taxes	162,352	
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33	10,502	
Add KU Current Month TC2 SQ Emission Allowance Expense not reflected on ES Form 2.31	0	
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)	4,862	
Net Recoverable Emission Allowance Expense	5,640	
Monthly Surcharge Consultant Fee		16,258
Construction Monitoring Consultant Fee		
Total Pollution Control Operations Expense	\$ 5,249,209	\$ 936,843

Determination of Beneficial Reuse Operating Expenses

Determination of Beneficial Reuse Operating Expenses					
	Environmental				
	Compl	iance Plan			
Total Monthly Beneficial Reuse Expense	\$	=			
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-			
Net Beneficial Reuse Operations Expense	\\$				

		Total	An	ount in		Net
	P	Proceeds		Base Rates		Proceeds
		(1)		(2)		(1) - (2)
Allowance Sales	\$	-	\$	-	\$	-
Scrubber By-Products Sales		53,014		50,597		2,416
Total Proceeds from Sales	\$	53,014	\$	50,597	\$	2,416

Monthly Average Revenue Computation of R (m) for GROUP 1 AND GROUP 2

For the Month Ended: December 31, 2011

	GROUP I (Total Revenues) - Kentucky Jurisdictional Revenues									
(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)		
Month	Non-fuel Base Rate Revenues	Base Rate Fuel Component	Fuel Clause Revenues	DSM Revenues	Environmental Surcharge Revenues	Total (2)+(3)+(4)+(5)+(6)		Total Excluding Envíronmental Surcharge (7)-(6)		
Jan-11	\$ 79,737,150	\$ 54,246,175	\$ (4,079,961)	\$ 2,482,893	\$ 5,407,256	\$ 137,793,514	\$	132,386,258		
Feb-11		45,209,443	2,435,023	1,906,011	3,026,209		\$	116,588,648		
Mar-11	62,170,354	41,905,870	45,175	1,568,534	169,800	\$ 105,859,733	\$	105,689,933		
Apr-11	56,843,357	38,004,130	(228,729)	1,263,716	2,360,485	\$ 98,242,959	\$	95,882,475		
May-11	55,933,365	35,702,353	(742,243)	1,087,228	2,471,733	\$ 94,452,436	\$	91,980,703		
Jun-11	64,274,550	42,040,661	381,783	1,271,511	3,699,167	\$ 111,667,672	\$	107,968,505		
Jul-11	67,568,168	42,674,259	2,120,794	1,395,447	4,011,785	\$ 117,770,453	\$	113,758,668		
Aug-11	72,619,227	46,902,303	1,916,931	1,604,581	3,072,496	\$ 126,115,539	\$	123,043,042		
Sep-11	66,398,438	43,186,740	4,966,213	1,342,933	2,188,184	\$ 118,082,508	\$	115,894,324		
Oct-11	57,391,197	38,932,694	3,485,600	962,525	1,928,584	\$ 102,700,601	\$	100,772,017		
Nov-11	52,704,870	33,557,570	2,079,249	963,030	2,749,517	\$ 92,054,236	\$	89,304,719		
Dec-11	60,036,690	39,439,553	(2,870,818)	1,272,580	3,531,568	\$ 101,409,572	\$	97,878,004		
							s	107,595,608		
				orm 3.10 =		·	\$	97,878,004		
GROUP 1 Revenu	es as a Percentage of To	tal Revenues for Curren	t Month				<u> </u>	100.00%		

	GROUP 2 (Net Revenues) - Kentucky Jurisdictional Revenues									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)		
Month	Non-fuel Base Rate Revenues	Base Rate Fuel Component	Fuel Clause Revenues	DSM Revenues	Environmental Surcharge Revenues	Total (2)+(3)+(4)+(5)+(6)	Total Excluding Environmental Surcharge (7)-(6)	Total Non-Fuel Revenues plus DSM (2)+(5)		
Jan-11						\$ -	\$ -	\$ -		
Feb-11							\$ -	\$ -		
Mar-11						-	\$ -	\$ -		
Apr-11						-	\$ -	\$ -		
May-11						-	\$ -	S -		
Jun-11						-	\$ -	\$ -		
Jul-11						i \$ -	\$ -	\$ -		
Aug-11						S -	S -	\$ -		
Sep-11						\$ -	S -	\$ -		
Oct-11						\$ -	S -	\$ -		
Nov-11							-	\$ -		
Dec-11		<u> </u>			<u> </u>	<u> </u>	S -	\$ -		
Average Monthly Jurisdictional Revenues, Excluding Environmental Surcharge and Fuel, for 12 Months Ending Current Expense Month.								s -		
		r Environmental Surchar tal Revenues for Current		rm 3.10 =			\$ 97,878,004 0.00%			

Kentucky Utilities Company Calculation of ECR Roll-in At February 28, 2009

				Eliminated Plans	(2001 & 2003)	Post Rate Case ECR Plans (05 & 06)			
		Environmental		Environmental Compliance Plans	Jurisdictional	Environmental Compliance Plans	Jurisdictional		
Calculation of Revenue Requirement		Compliance Plans at Feb. 28, 2009	Jurisdictional Basis	at Feb. 28, 2009	Basis	at Feb. 28, 2009	Basis		
Environmental Compliance Rate Base				040 407 507	196,806,670	448.525.825	367,547,021		
Pollution Control Plant in Service		688,693,392	564,353,691	240,167,567 1,142,172	935,959	608,406,318	498,561,994		
Pollution Control CWIP Excluding AFUDC		609,548,490	499,497,954	241,309,739	197,742,629	1,056,932,143	866,109,015		
	Subtotal	1,298,241,882	1,063,851,644	241,000,700	10111 12122				
Additions:						689,005	564,609		
Limestone, net of amount in base rates		689,005	564,609	-	-	4,202	3,443		
Emission Allowances, net of amount in base rates		4,202	3,443		275,826	677,510	555,189		
Cash Working Capital Allowance		1,014,107	831,016	336,597		1,370,717	1,123,242		
	Subtotal	1,707,314	1,399,068	336,597	275,826	1,370,717	1,120,212		
Deletions							17,794,350		
Deductions: Accumulated Depreciation on Pollution Control Plant		50,725,431	41,567,241	29,010,589	23,772,891	21,714,842	7,517,126		
Pollution Control Deferred Income Taxes		43,419,013	35,579,955	34,245,697	28,062,830	9,173,316 23,755,600	19,466,661		
Pollution Control Deferred Investment Tax Credit		23,755,600	19,466,661				44,778,136		
1 ollation control bottom	Subtotal	117,900,044	96,613,857	63,256,286	51,835,721	54,643,758	44,776,130		
Environmental Compliance Rate Base		\$ 1,182,049,152	\$ 968,636,855	\$ 178,390,050	\$ 146,182,734	\$ 1,003,659,102	\$ 822,454,121		
Rate of Return Environmental Compliance Rate Base				11.12%		11.12%			
			¢ 407.710.418	\$ 19,836,974	\$ 16,255,520	\$ 111,606,892	\$ 91,456,898		
Return on Environmental Compliance Rate Base		\$ 131,443,866	\$ 107,712,418	4 19,000,074					
Pollution Control Operating Expenses		0.4.400.050	20.055.493	6,053,383	4,960,479	18,432,974	15,105,004		
12 Month Depreciation and Amortization Expense		24,486,356 1,368,589	20,065,483 1,121,498	326,224	267,326	1,042,365	854,172		
12 Month Taxes Other than Income Taxes		8,112,850	6,648,121	2,692,772	2,206,608	5,420,078	4,441,513		
12 Month Operating and Maintenance Expense	hace rates	478,162	391,833	<u>.</u>	-	478,162	391,833		
12 Month Emission Allowance Expense, net of amounts in	base rates					05.070.570	\$ 20,792,523		
Total Pollution Control Operating Expenses		\$ 34,445,958	\$ 28,226,935	\$ 9,072,379	\$ 7,434,412	\$ 25,373,579	\$ 20,792,523		
		300,541	246,280	-	-	300,541	246,280		
Gross Proceeds from By-Product & Allowance Sales		555,541							
Total Company Environmental Surcharge Gross Revenue	Requirement		107.710.440	19,836,974	16,255,520	111,606,892	91,456,898		
Return on Environmental Compliance Rate Base		131,443,000	107,712,418 28,226,935	9,072,379		25,373,579	20,792,523		
Pollution Control Operating Expenses		34,445,958 (300,541)	i	-	-	(300,541	(246,280)		
Less Gross Proceeds from By-Product & Allowance Sales		(000,041)					\$ 112,003,141		
Total Company Environmental Surcharge Gross Revenue Rec	quirement	\$ 165,589,283	\$ 135,693,073	\$ 28,909,353	\$ 23,689,932	\$ 136,679,930	\$ 112,003,141		
Jurisdictional Allocation Ratio		81.9456%	<u>-</u>	81.9456%	<u> </u>	81.94569	<u>6</u>		
		\$ 1,104,927,147		\$ 1,104,927,147		\$ 1,104,927,147	•		
Jurisdictional Revenues for 12 Months						\$ 136,679,930)		
Total Company Environmental Surcharge Gross Revenue Re	quirement	\$ 165,589,283		\$ 28,909,353		81.94569			
Jurisdictional Allocation Ratio		81.94569	-	<u>81.94569</u> \$ 23,689,932		\$ 112,003,141			
Jurisdictional Environmental Surcharge Gross Revenue R	equirement	\$ 135,693,073	=				=		
				Attachment (o Response to In	formal Conference	Question No. 3(b)		

Attachment to Response to Informal Conference Question No. 3(b)
Page 1 of 1

KENTUCKY UTILITIES

Off-System Sales Revenue Adjustment for the ECR Calculation For the Twelve Months Ended December 31, 2011

	(1)	(2)	(3)	(4)
	KU Off-System Sales Revenue	Monthly Environmental Surcharge Factor (a)	Average Environmental Surcharge Factor	Off-System Sales Environmental Cost (Col. 1 * 3)
•		1 detor (a)	T detoi	(Col. 1 3)
Jan-11	3,292,556	0.08%	2,86%	94,167
Feb-11	3,901,358	2.54%	2.86%	111,579
Mar-11	2,985,203	2.70%	2.86%	85,377
Apr-11	949,605	3.46%	2.86%	27,159
May-11	3,354,999	3.53%	2.86%	95,953
Jun-11	4,125,254	2.46%	2.86%	117,982
Jul-11	3,209,313	1.87%	2.86%	91,786
Aug-11	1,733,633	1.92%	2.86%	49,582
Sep-11	2,458,310	3.12%	2.86%	70,308
Oct-11	5,362,669	3.63%	2.86%	153,372
Nov-11	2,048,034	5.13%	2.86%	58,574
Dec-11	3,345,362	3.92%	2.86%	95,677
Total	\$ 36,766,296			\$ 1,051,516
Average		2.86%		
Kentucky Jurisdi	ction (Ref. Sch. Al	locators)		86.773%
Total				\$ 912,432
Adjustment				\$ (912,432)

(a) ES Form 1.00

Kentucky Utilities Company Jurisdictional Utility Revenues December 31, 2011

	Current	Month	Year to Date		Year Ended Current Month			
	This Year	Last Year	This Year	Last Year	This Year	Last Year		
Kentucky Only				Day 1 day	Tins 1 car	Last Teat		
Residential Sales	\$ 47,988,375.38 14,341,239.39 10,432,119.75	\$ 64,633,053.34 16,290,100.33 13,552,378.13	\$ 493,167,717.03 177,368,049.63 153;478,796.41	\$ 507,149,614.38 169,057,147.22 156,054,735.56	\$ 493,167,717.03 177,368,049.63 153,478,796.41	\$ 507,149,614.38 169,057,147.22 156,054,735.56		
Large Industrial Sales Mine Power Public Street and Highway Lighting	26,564,713.72 2,494,770.91 763,827.61	26,813,733.79 3,218,867.38 988,675.68	333,374,938.84 31,439,098.55 10,752,067.99	315,272,945.34 32,341,102.17 10,595,234.96	333,374,938.84 31,439,098.55 10,752,067,99	315,272,945.34 32,341,102.17		
Other Sales to Public Authorities Municipal Pumping Rate Refunds	6,000,776.36 374,424.02	10,065,394.97 426,322.15	104,491,353.23 4,700,344.05	98,314,510.52 4,540,381.37 6.12	104,491,353,23 4,700,344.05	10,595,234.96 98,314,510.52 4,540,381.37 6.12		
Total Electric Revenue - Ultimate Consumers	108,960,247.14	135,988,525.77	1,308,772,365.73	1,293,325,677.64	1,308,772,365.73	1,293,325,677.64		
Sales for Resale Intercompany Sales for Resale	22,804.55 3,322,557.64	984,022.79	4,364,303.42 32,401,992.52	190,343.93 13,775,333.51	4,364,303.42 32,401,992.52) 190,343.93 13,775,333.51		
Wholesale Sales Settled Swap Revenue. Settled Swap Expense	8,049,227.69	8,707,299.85	103,730,191.53 231,838.17	103,291,802.77 31,586.52	103,730,191.53 231,838.17	103,291,802.77		
Late Charge Payments	427,151.69 182,102.82	- 758,626.67 109,782.09	(574,533.43) 7,457,495.97 2,341,512.20	(11,867.02) 9,988,850.61 2,197,507.35	(574,533.43) 7,457,495,97 2,341,512,20	(11,867.02) 9,988,850.61 2,197,507.35		
Rent from Electric Property Other Electric Revenue	(134,978.61) 1,296,927.59	48,105.52 1,004,133.98	1,685,513.88 14,709,782.04	941,884.34 10,533,681.78	1,685,513.88 14,709,782.04	941,884.34 10,533,681.78		
Total Electric Operating Revenue	\$ 122,126,040.51	\$ 147,600,496.67	\$ 1,475,120,462.03	\$ 1,434,264,801.43	\$ 1,475,120,462.03	\$ 1,434,264,801.43		
Virginia Only					ED 36,7667	296		
Residential Sales	\$ 4,165,788.49 641,763.69 804,973.85 288,023.61 1,115,827.45 15,786.55 525,149.76	\$ 6,437,219.11 1,005,951.27 1,208,563.95 217,105.64 1,520,141.60 33,470.20 857,358.93	\$ 32,436,910.41 6,454,197.04 9,698,647.17 3,124,274.32 13,391,315.25 395,101.75 6,193,969.67	\$ 38,559,512.54 7,489,242.95 9,990,934.89 1.614.283.33 13,102.181.57 312.286.01 6,551,117.89	\$ 32,436,910.41 6,454,197.04 9,698,647.17 3,124,274.32 13,391,315.25 395,101.75 6,193,969.67	\$ 38,559,512.54 7,489,242.95 9,990,934.89 1,614,283.33 13,102,181.57 312,286.01 6,551,117.89		
Municipal Pumping	16,520.18	22,632.58	171,475.49	197,448.34 (632,390.04)	171,475.49	197,448.34 (632,390.04)		
Total Electric Revenue - Ultimate Consumers	7,573,833.58	11,302,443.28	71,865,891.10	77,184,617.48	71,865,891.10	77,184,617.48		
Late Charge Payments Miscellaneous Service Revenue Rent from Electric Property Other Electric Revenue	23,911.45 13,897.13 15,989.62 10,637.50	16,573.21 6,353.59 4,062.88 61.00	212,213.81 129,150.67 171,029.49 18,239.00	95,931.55 111,635.34 48,169.20 4,557.00	212,213.81 129,150.67 171,029.49 18,239.00	95,931.55 111,635.34 48,169.20 4,557.00		
Total Electric Operating Revenue	\$ 7,638,269.28	\$ 11,329,493.96	\$ 72,396,524.07	\$ 77,444,910.57	\$ 72,396,524.07	\$ 77,444,910.57		

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of January 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14		\$ 86,002
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	=	0.08%
Effective Date for Billing: March billing cycle beginning February 28, 2011		
Submitted by:	•	
Title: Director, Rates		

Date Submitted: February 18, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of February 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14	=	\$ 2,721,724
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	=	2.54%
Effective Date for Billing: April billing cycle beginning March 30, 2011		
Submitted by:		
Title: Director, Rates		

Date Submitted: March 18, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of March 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14	=	\$ 2,886,173
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	=	2.70%
Effective Date for Billing: May billing cycle beginning April 29, 2011		
Submitted by:	•	
Title: Director, Rates		

Date Submitted: April 19, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of April 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14	=	\$ 3,723,617
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16		3.46%
Effective Date for Billing: June billing cycle beginning May 31, 2011		
Submitted by:		
Title: Director, Rates		

Date Submitted: May 20, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of May 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14	=	\$ 3,820,591
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	=	3.53%
Effective Date for Billing: July billing cycle beginning June 29, 2011		
Submitted by:		
Title: Director, Rates		

Date Submitted: June 17, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of June 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14	=	\$ 2,683,040
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	=	2.46%
Effective Date for Billing: August billing cycle beginning July 29, 2011		
Submitted by:		
Title: Director, Rates		

Date Submitted: July 19, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of July 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14	=	\$ 2,039,000
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	=	1.87%
Effective Date for Billing: September billing cycle beginning August 30, 2011		
Submitted by:	•	
Title: Director, Rates		

Date Submitted: August 19, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of August 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14		\$ 2,100,716
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	==	1.92%
Effective Date for Billing: October billing cycle beginning September 30, 2011		
Submitted by:		
Title: Director, Rates		

Date Submitted: September 20, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of September 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14	=	\$ 3,382,800
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	=	3.12%
Effective Date for Billing: November billing cycle beginning October 28, 2011		
Submitted by:		
Title: Director, Rates		

Date Submitted: October 18, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of October 2011

•		
Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14		\$ 3,947,541
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	=	3.63%
Effective Date for Billing: December billing cycle beginning November 29, 2	:011	
Submitted by:		
Title: Director, Rates		

Date Submitted: November 18, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of November 2011

Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 14	=	\$ 5,576,601
Jurisdictional Environmental Surcharge Billing Factor ES Form 1.10, line 16	=	5.13%
Effective Date for Billing: January billing cycle beginning December 30, 2011		
Submitted by:		
Title: Director, Rates		

Date Submitted: December 20, 2011

Net Jurisdictional E(m) and Jurisdictional Environmental Surcharge Billing Factor For the Expense Month of December 2011

GROUP 1 (Total Revenue) Net Group E(m) = Group E(m) less Expense Month Revenue		
Collected Through Base Rates ES Form 1.10, line 18	=	\$ 4,215,138
Group 1 ES Billing Factor ES Form 1.10, line 20	==	3.92%
GROUP 2 (Net Revenue)		
Net Group E(m) = Group E(m) less Expense Month Revenue Collected Through Base Rates ES Form 1.10, line 18	=	\$ -
Group 2 ES Billing Factor ES Form 1.10, line 20	=	0.00%
Effective Date for Billing: February billing cycle beginning January 31, 2012		
Submitted by:		
Title: Director, Rates		

Date Submitted: January 20, 2012

KENTUCKY UTILITIES

To Eliminate Net Brokered and Financial Swap Revenues and Expenses <u>For the Twelve Months Ended December 31, 2011</u>

1. Brokered and Financial Swap Revenues	\$	231,838
2. Brokered and Financial Swap Expenses recorded in revenues	<u></u>	574,533
3. Net Brokered and Financial Swap Revenues		(342,695)
4. Kentucky Jurisdiction (Ref. Sch. Allocators)	***************************************	86.773%
5. Kentucky Jurisdiction Net Brokered and Financial Swap Revenues	\$	(297,367)
Kentucky Jurisdiction Net Brokered and Financial Swap Revenues adjustment	\$	297,367
7. Operating Expenses related to Brokered and Financial Swap		6,501 *
8. Kentucky Jurisdiction (Ref. Sch. Allocators)		86.773%
9. Kentucky Jurisdiction Brokered and Financial Swap Operating Expenses	\$	5,641
10. Kentucky Jurisdiction Net Brokered and Financial Swap Operating Expenses adjustment	\$	(5,641)
11. Net Kentucky Jurisdictional adjustment (Line 6 - Line 10)	\$	303,008

^{*}NOTE: Reflects 0.14% of total labor and labor related costs from regulated trading sales activities.

To Eliminate Electric Brokered Sales Revenues and Expenses For the Test Year Ended December 31, 2011

Regulated Trading Labor For Year Ended January 1, 2011 through December 31, 2011

1 Total Labor		\$ <u>Total</u> 4,736,545
2 Brokered/Swap Trading Percentage	-	 1.64%
3 Total Brokered/Swap Trading Expense	=	77,570
4 KU 5 LG&E 6	8.4% 91.6% _	 6,501 71,069 77,570

To Eliminate Electric Brokered Sales Revenues and Expenses For the Test Year Ended December 31, 2011

	TME DEC 2011 REVENUES	TME DEC 2011 KWH	TOTAL BROKERED & SWAP REVENUES
1 KU 2 LG&E 3 TOTAL BROKERED	-		
4 KU 5 LG&E 6 TOTAL SETTLED SWAP REVENUE	231,838 2,534,557 2,766,396		
7 KU 8 LG&E 9 TOTAL SALES FOR RESALE	4,364,303 60,437,290 64,801,594	99,010,000 1,544,495,000 1,643,505,000	
10 KU 11 LG&E 12 TOTAL BROKERED, SWAP & SFR (EXCLUDES INTERCOMPANY)	4,596,142 62,971,848 67,567,989	99,010,000 1,544,495,000 1,643,505,000	8.4% 91.6% 100.0%
13 BROKERED/SWAP TO TOTAL PERCENT	4.1%	0.0%	
14 STAFF TRADING PERCENTAGE	40.0%		
15 BROKERED TRADING PERCENTAGE	1.64%		

Energy Marketing Regulated Trading Labor For Year Ended 12/31/2011 \$'s

COMBINED			Actual YTD
Exp Org	Department Name		0.500.400
029660	Regulated Trading	Labor	2,532,183
		Burdens	2,204,362
		Total Burdened Labor	4,736,545
LGE			Actual YTD
Exp Org	Department Name		
029660	Regulated Trading	Labor	1,157,011
		Burdens	1,008,354
		Total Burdened Labor	2,165,365
·		=	
KU			Actual YTD
Exp Org	Department Name		7100001710
029660	Regulated Trading	Labor	1,374,811
025000	guiatea maamo	Burdens	1,195,114
		Total Burdened Labor	2,569,925
CARITAL CORR			Actual YTD
CAPITAL CORP	Department Name		Actual 11D
Exp Org 029660	Regulated Trading	Labor	361
029000	negalated fracing	Burdens	894
		Total Burdened Labor	1,255
			1,200

KENTUCKY UTILITIES COMPANY

To Eliminate Electric Brokered Sales Revenues and Expenses For the Test Year Ended December 31, 2011

Regulated Trading & Dispatch Department Personnel

•	~	-1	
7	l ra	а	PΙ

- 2 Dir Trading
- 3 Assoc Trader
- 4 Sr. Trader
- **5** Trader
- 6 Mgr Hourly Trading
- 7 Trader
- 8 Mgr of Trading
- 9 Trader
- 10 Sr. Trader

Dispatching Positions

- 11 Sr Market Compliance Analyst
- 12 Assoc Mkt Compliance Analyst
- 13 Generation Dispatcher
- 14 Dir Marketing
- 15 Generation Dispatcher
- 16 Generation Dispatcher
- 17 Account Manager II Municipals
- 18 Generation Dispatcher
- 19 Mgr Reg Generation Dispatch Op
- 20 Generation Dispatcher
- 21 Mgr Market Compliance
- 22 Generation Dispatcher
- 23 Scheduler
- 24 Sr Market Compliance Analyst
- 25 Sr Dispatcher

26 Trading Positions	10
27 Total Regulated Trading and Dispatch Positions	25
28 Trading Positions as a % of the total	40.00%

Louisville Gas and Electric Company Electric Utility Revenues and Expenses December 31, 2011

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
			7 266 767 754 04	366,497,652.16	\$ 366,263,254.94	366,497,652.16
Residential Sales	\$ 30,016,141.82	\$ 34,948,425.79	D 200,202,222 113 1	128,289,585.29	137.198.907.66	128,289,585.29
Small Commercial and Industrial Sales	10,470,563.71	11,909,197.45	137,198,907.66	152,587,640.61	162.803,411.74	152.587,640.61
Large Commercial Sales	12,240,081.68	12,801,289.63	162,803,411.74	140.028.632.78	145,251,812.13	140,028,632.78
Large Industrial Sales	10,280,712.20	11,555,283.74	145.251,812.13	7,041,069.30	7,235,355.29	7,041,069.30
Public Street and Highway Lighting	619,541.72	612,809.20	7,235,355.29	80,391,397.29	84,489,064.85	80,391,397.29
Other Sales to Public Authorities	4.932.708.75	6,937,291.33	84,489,064.85	80,371,371,27		07.07.077.43
Total Electric Revenue - Ultimate Consumers	68,559.749.88	78.764,297.14	903,241.806.61	874,835,977.43	903,241,806.61	874,835,977,43
	5,706,104.81	2,441,206.88	60,437,290.25	22,404,813.92	60,437,290.25	22,404,813.92
Sales for Resale	9,545,512:73	11,120.084.15	82,377,392.16	99,275,772.30	82,377.392.16	99,275,772.30
Intercompany Sales for Resale	9,343,312.75	(784.00)	· -	(2,765.00)	-	(2,765.00)
Brokered Purchases	-	1.067.752.00	2,534,557.33	7,192,669.48	2,534,557.33	7,192,669.48
Settled Swap Revenue		(885,944.00)	(5,271,858.07)	(4,011,484.98)	(5,271,858.07)	(4,011,484.98)
Settled Swap Expense	427.402.24	476.515.28	5,670,214.90	6,445,070.26	5,670,214.90	6,445,070.26
Late Charge Payments	117.679.50	56,564.00	1,562,779.56	1,457,360.65	1,562,779.56	1,457,360.65
Miscellaneous Service Revenue	(49,710.09)	208,655.91	2,791,700.54	2,696,832.13	2,791,700.54	2,696,832.13 5,317,320.78
Rent from Electric Property	495,215.75_	503,099.98	6,406,420.21	5,317.320.78	6,406,420.21	3,317,320.76
Other Electric Revenue	84,801.954.82	93,751,447.34	1.059,750,303.49	1.015,611,566.97	1,059,750,303.49	1,015,611,566.97
Total Electric Operating Revenue			, , , , , , , , , , , , , , , , , , , ,	347,218,737.33	343,602,284.48	347,218,737.33
Fuel	31.916.581.86	31,529,026.04	343,602.284.48	55,754,968.95	56.196.787.48	55,754,968.95
Operation Expenses	3,910.525.05	6,554,841.47	56,196.787.48	62,921,664.84	57,856,947.55	62,921,664.84
Maintenance	4,512,152.76	7,201,953.99	57,856,947.55	89.061.86	89,098.35	89,061.86
Rents	13.414.49	8,752.74	89,098.35	89.001.80	03,03	
Total Steam Power Generation Expenses	40,352.674.16_	45,294,574.24	457,745,117.86	465,984,432.98	457.745,117.86	465,984,432.98
Total Steam Fower Generation Expenses			526 070 33	412,215.67	536,979.32	412,215.67
Operation Expenses	44,282.89	46,807.77	536,979.32	639,950.53	735,377.68	639,950.53
Maintenance	54,521.28	44,535.97	735,377.68	414,964.64	379,817.78	414,964.64
Rents	29,303.70	36,663.99	379.817.78	414,704.04		
Total Hydraulic Generation Expenses	128.107.87	128,007.73	1,652,174.78	1,467.130.84	1.652,174.78	1,467,130.84
Total Hydraune Communication and				21,337,589.01	17,366,108.88	21,337,589.01
Fuel	512,910.57	2,966,054.04	17,366,108.88		237,713.70	209,853.69
Operation Expenses	12,578.48	19,908.22	237,713.70	209,853.69	1,562,397.01	3,652,520.28
Maintenance	118,147.14	2,550,215.62	1,562.397.01	3,652,520.28	21,314.08	19,585.53
Rents	2,258.49	2,072.17	21,314.08	19,585.53	21,514.00	17,500.00
Total Other Power Generation Expenses	645,894.68	5,538,250.05	19,187,533.67	25,219.548.51	19,187,533.67	25,219,548.51
Total Other Power Generation Expenses					74,894,547.12	54,379,718.69
Purchased Power	6,940,294.11	4,790,428.59	74,894,547.12	54,379,718.69	• • • •	1,626,044.81
Purchased Power	124,194.86	183,997.06	1,588,107.38	1,626,044.81	1,588,107.38	
System Control and Load Dispatch	167,040.79	116,271.01	2,164,861.78	621,822.70	2,164,861.78	621,822.70
Other Expenses	107,040.75					
Other Credits	7.031.630.76	5,090,696.66	78,647.516.28	56,627.586.20	78.647.516.28	56,627,586.20
Total Other Power Supply Expenses			\$ 557,232.342.59	\$ 549,298,698.53	\$ 557,232,342.59	\$ 549,298.698.53
Total Power Production Expenses	\$ 48.358.206.47	\$ 56,051.528.68 20	\$ 331,434.344.39			January 26, 2012

Louisville Gas and Electric Company Distribution of Kwh Output and Load Data December 31, 2011

_	Current Me	onth	Year to D	ate	Year Ended Curr	ent Month
-	This Year	Last Year	This Year	Last Year	This Year	Last Year
Distribution of Kwh Output						
Residential Sales Small Commercial and Industrial Sales Large Commercial Sales Large Industrial Sales Public Street and Highway Lighting Sales Other Sales to Public Authorities	336,416,687 105,690,595 172,809,440 169,976,251 5,349,392 73,289,356	432,578,551 131,402,076 197,632,817 213,851,648 6,253,957 105,882,864	4,260,121,989 1,420,199,307 2,288,544,888 2,430,194,056 51,351,317 1,190,642,794	4,591,882,579 1,461,031,299 2,332,211,310 2,602,851,775 54,324,659 1,295,935,082	4,260,121,989 1,420,199,307 2,288,544,888 2,430,194,056 51,351,317 1,190,642,794	4,591,882,579 1,461,031,299 2,332,211,310 2,602,851,775 54,324,659 1,295,935,082
Total Sales - Ultimate Consumers	863,531,721	1,087,601,913	11,641,054,351	12,338,236,704	11,641,054,351	12,338,236,704
Sales for Resale Intercompany Sales for Resale Brokered Purchases	158,719,000 425,541,000	54,968,000 489,542,000 (20,000)	1,544,495,000 3,641,187,000 	535,022,000 4,709,981,000 (61,000)	1,544,495,000 3,641,187,000	535,022,000 4,709,981,000 (61,000)
Total Sales	1,447,791,721	1,632,091,913	16,826,736,351	17,583,178,704	16,826,736,351	17,583,178,704
Used by Electric Department - Station Auxillary Used by Electric Department - Duplicate Charges Used by Other Departments Delivered to US Government - Hydro License Used by IMEA Used by IMPA Total Kwh Sales, Co. Uses, Etc.	296,146 1,122,135 418,437 48,477,000 52,647,000	325,021 449,402 50,808,000 53,811,000 1,737,485,336	2,148,627 13,046,118 1,571,011 527,689,000 556,383,000	2,311,841 - 1,708,802 466,320,000 497,961,000	2,148,627 13,046,118 1,571,011 527,689,000 556,383,000	2,311,841 - 1,708,802 466,320,000 497,961,000 18,551,480,347
Total System Losses (1)	77,447,561	11,023,414	708,284,049	520,344,403	708,284,049	520,344,403
Total Kwh Output	1,628,200,000	1,748,508,750	18,635,858,156	19,071,824,750	18,635,858,156	19,071,824,750
(1) Includes Losses from Transmission Lines, Station Light	ts and Power.					
Net Firm Peak Load						
Kilowatts	1,588,000 Wednesday 12/7/2011 7:00 PM	1,900,000 Monday 12/13/2010 7:00 PM	2,704,000 Tuesday 7/12/2011 2:00 PM	2,852,000 Wednesday 08/04/2010 3:00 PM	2,704,000 Tuesday 7/12/2011 2:00 PM	2,852,000 Wednesday 08/04/2010 3:00 PM
Record Peak Net 2,852,000 - 08/04/2010		30				January 26, 2012

Kentucky Utilities Company Jurisdictional Utility Revenues December 31, 2011

	Current I	Month	Year to	Date	Year Ended Cu	arrent Month
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Kentucky Only						
Residential Sales	\$ 47,988,375.38	\$ 64.633.053.34	\$ 493,167,717.03	\$ 507,149,614.38	\$ 493,167,717.03	\$ 507,149,614.38
Small Commercial and Industrial Sales	14,341,239.39	16,290,100.33	177,368,049.63	169,057,147.22	177,368,049.63	169,057,147.22
Large Commercial Sales	10,432,119.75	13,552,378.13	153,478,796.41	156,054,735.56	153,478,796.41	156,054,735.56
Large Industrial Sales	26,564,713.72	26,813,733.79	333,374,938.84	315,272,945.34	333,374,938.84	315,272,945.34
Mine Power	2,494,770.91	3,218,867.38	31,439,098.55	32,341,102.17	31,439,098.55	32,341,102.17
Public Street and Highway Lighting	763,827.61	988,675.68	10,752,067.99	10,595,234.96	10,752,067.99	10,595,234.96
Other Sales to Public Authorities	6,000,776.36	10,065,394.97	104,491,353.23	98,314,510.52	104,491,353.23	98,314,510.52
Municipal Pumping	374,424.02	426,322.15	4,700,344.05	4,540,381.37	4,700,344.05	4,540,381.37
Rate Refunds	-	*		6.12		6.12
		126,000,525,77	1,308,772,365.73	1,293,325,677.64	1,308,772,365.73	1,293,325,677.64
Total Electric Revenue - Ultimate Consumers	108,960,247.14	135,988,525.77	1,308,772,303.73	1,293,323,077.04	1,300,112,303113	
Salar for Basala	22,804.55	-	4,364,303.42	190,343.93	4,364,303.42	190,343.93
Sales for Resale	3,322,557.64	984,022.79	32,401,992.52	13,775,333.51	32,401,992.52	13,775,333.51
Intercompany Sales for Resale	8,049,227.69	8,707,299.85	103,730,191.53	103,291,802.77	103,730,191.53	103,291,802.77
Wholesale Sales	8,049,227.69	8,707,299.63	231,838.17	31,586.52	231,838.17	31,586.52
Settled Swap Revenue	•	-	· ·	(11,867.02)	(574,533.43)	(11,867.02)
Settled Swap Expense	-		(574,533.43)	, , ,	7,457,495.97	9,988,850.61
Late Charge Payments	427,151.69	758,626.67	7,457,495.97	9,988,850.61	, ,	• •
Miscellaneous Service Revenue	182,102.82	109,782.09	2,341,512.20	2,197,507.35	2,341,512.20	2,197,507.35
Rent from Electric Property	(134,978.61)	48,105.52	1,685,513.88	941,884.34	1,685,513.88	941,884.34
Other Electric Revenue	1,296,927.59	1,004,133.98	14,709,782.04	10,533,681.78	14,709,782.04	10,533,681.78
Total Electric Operating Revenue	\$ 122,126,040.51	\$ 147,600,496.67	\$ 1,475,120,462.03	\$ 1,434,264,801.43	\$ 1,475,120,462.03	\$ 1,434,264,801.43
Virginia Only						
Residential Sales	\$ 4,165,788.49	\$ 6,437,219.11	\$ 32,436,910.41	\$ 38,559,512.54	\$ 32,436,910.41	\$ 38,559,512.54
Small Commercial and Industrial Sales	641,763.69	1,005,951.27	6,454,197.04	7,489,242.95	6,454,197.04	7,489,242.95
Large Commercial Sales	804,973.85	1,208,563.95	9,698,647.17	9,990,934.89	9,698,647.17	9,990,934.89
Large Industrial Sales	288,023.61	217.105.64	3,124,274.32	1,614,283.33	3,124,274.32	1,614,283.33
Mine Power	1,115,827.45	1,520,141.60	13,391,315.25	13,102,181.57	13,391,315.25	13,102,181.57
Public Street and Highway Lighting	15,786.55	33,470.20	395,101.75	312,286.01	395,101.75	312,286.01
	525,149.76	857,358.93	6,193,969.67	6,551,117.89	6,193,969.67	6,551,117.89
Other Sales to Public Authorities	16,520.18	22,632.58	171,475.49	197,448.34	171,475.49	197,448.34
Municipal Pumping	10,320.10	22,032.38	-	(632,390.04)	· -	(632,390.04)
Rate Refunds					-	
Total Electric Revenue - Ultimate Consumers	7,573,833.58	11,302,443.28	71,865,891.10	77,184,617.48	71,865,891.10	77,184,617.48
Late Charge Payments	23,911.45	16,573.21	212,213.81	95,931.55	212,213.81	95,931.55
Miscellaneous Service Revenue	13,897.13	6,353.59	129,150.67	111,635.34	129,150.67	111,635.34
Rent from Electric Property	15,989.62	4,062.88	171,029.49	48,169.20	171,029.49	48,169.20
Other Electric Revenue	10,637.50	61.00	18,239.00	4,557.00	18,239.00	4,557.00
Total Electric Operating Revenue	\$ 7,638,269.28	\$ 11,329,493.96	\$ 72,396,524.07	\$ 77,444,910.57	\$ 72,396,524.07	\$ 77,444,910.57
						7 26 2012

Kentucky Utilities Company Distribution of Kwh Output and Load Data December 31, 2011

_	Current Mo	onth	Year to Da	ate .	Year Ended Curre	nt Month
-	This Year	Last Year	This Year	Last Year	This Year	Last Year
Distribution of Kwh Output						
Residential Sales	656,058,761 164,303,201 166,496,755 504,550,509 57,531,832	949,103,354 204,006,743 224,231,525 526,055,295 73,137,000	6,549,421,114 2,018,961,791 2,287,663,933 6,013,408,031 684,726,723	7,181,625,474 2,072,007,449 2,498,175,382 5,764,353,504 693,997,362	6,549,421,114 2,018,961,791 2,287,663,933 6,013,408,031 684,726,723	7,181,625,474 2,072,007,449 2,498,175,382 5,764,353,504 693,997,362
Public Street and Highway Lighting Sales Other Sales to Public Authorities Municipal Pumping	4,280,864 106,098,390 5,542,348	5,839,269 164,662,159 6,792,300	50,815,039 1,584,237,158 67,203,674	55,934,105 1,600,139,247 69,676,728	50,815,039 1,584,237,158 67,203,674	55,934,105 1,600,139,247 69,676,728
Total Sales - Ultimate Consumers	1,664,862,660 539,000 120,983,000 156,587,862	2,153,827,645 - 30,373,000 185,182,349	19,256,437,463 99,010,000 1,120,336,000 1,905,867,063	19,935,909,251 4,515,000 439,210,000 2,002,284,155	19,256,437,463 99,010,000 1,120,336,000 1,905,867,063	19,935,909,251 4,515,000 439,210,000 2,002,284,155
Total Sales	1,942,972,522 1,950,988 4,500 42,238,000 44,940,000	2,369,382,994 2,331,643 4,500 19,453,000 20,678,000	22,381,650,526 22,014,658 53,768 459,156,000 488,140,000	22,381,918,406 23,251,969 51,830 44,892,000 47,694,000	22,381,650,526 22,014,658 53,768 459,156,000 488,140,000	22,381,918,406 23,254,105 48,687 44,892,000 47,694,000
Total Kwh Sales, Co. Uses, Etc	2,032,106,010	2,411,850,137	23,351,014,952	22,497,808,205	23,351,014,952	22,497,807,198
Total System Losses (1)	97,618,990	(26,420,887)	993,779,892	1,444,270,045	993,779,892	1,444,270,045
Total Kwh Output	2,129,725,000	2,385,429,250	24,344,794,844	23,942,078,250	24,344,794,844	23,942,077,243
(1) Includes Losses from Transmission Lines, Station Ligh	ts and Power.					
Net Firm Peak Load Kilowatts Day of the Week Date Hour Type of Reading - 60 Minute Integrated	3,546,000 Thursday 12/8/2011 8:00 AM	4,517,000 Wednesday 12/15/2010 8:00 AM	4,292,000 Friday 02/11/2011 8:00 AM	4,517,000 Wednesday 12/15/2010 8:00 AM	4,292,000 Friday 02/11/2011 8:00 AM	4,517,000 Wednesday 12/15/2010 8:00 AM

Exhibit 1 Reference Schedule 1.06

KENTUCKY UTILITIES

To Eliminate ECR, MSR, FAC and DSM Accruals For the Twelve Months Ended December 31, 2011

1. ECR Accrued Revenue in Accounts 440-445	\$ 5,218,913
2. MSR Accrued Revenue in Accounts 440-445	396
3. FAC Accrued Revenue in Accounts 440-445	1,161,000
4. DSM Accrued Revenue in Accounts 440-445	 2,937,495
5. Total Kentucky Jurisdictional Accrued Revenues	\$ 9,317,804
6. Total Adjustment	\$ (9,317,804)

Louisville Gas & Electric and Kentucky Utilities Companies Revenue Component Variances 12 Months Ending December 2011 vs. Budget (in whole dollars, except for price per unit data)

KU (Electric) (KY and TN only)														
		Cust Charge	0	5 /5			BILLED R						***************************************	
TOTAL INVESTOR OF THE	KWH	Revenue	Demand Revenue	Demand Rev. (Demand ECR)	Energy Rev. (excl. fuel)	Energy Rev. (Base ECR)	Energy Rev. (Base Fuel)	FAC Revenue	DSM Revenue	ECR) (MSR Revenue	STOD, ESM & VDT	Total	····
TOTAL Ultimate Consumers:										The state of the s	Weasure 7	Ravanua	Revenue	s/MWH
Budget	18,507,215,314 18,365,858,862				\$ 389,119,187		\$ 501,801,750	\$ 9,509,017 \$	17,120,990	\$ 34,616,785	\$ 384			_
Variance			\$ 180,527,121				\$ 506,346,554	\$ 18,355,210 \$		\$ 69,760,537		(12)		\$ 71.01 \$ 75.60
Dollars per MWH - Actual			\$ (23,010,352) \$ 8.51				\$ (4,544,804)	\$ (8,846,193) \$	(6,533,148)		\$ 384	12 5		\$ 75.60 \$ (4.58)
Dollars per MWH - Budget	1			\$ 3.88 \$ 3,45				\$ 0.51 \$		\$ 1.87				3 (4.30)
Wholesale-Municipals:		1,20	¥ 3.02	3.43	¥ 21.09	\$ 3.36	\$ 27.54	\$ 1.00 \$	1.29	\$ 3.79				
Actual	1,756,275,201	\$ 312,864	\$ 40,350,276	\$ -	\$ 6,989,864	_								
Budget	2,019,073,644		\$ 48,912,880	•			\$ 43,081,431 \$ 49,527,878	\$ 5,483,169 \$			\$ - 9		96,217,604	\$ 54,79
Variance	(262,798,443)	\$ 312,864		\$ -		\$ -	4 40,021,010	\$ 1,807,391 \$ \$ 3,675,778 \$		\$ -				\$ 53.61
Dollars per MWH - Actual				\$ -		- <u>i</u>								\$ 1.17
Dollars per MWH - Budget		\$-	\$ 24.23	\$ -		\$ -		\$ 3.12 \$ 0.90 \$						
TOTAL Internal Sales:		· · · · · · · · · · · · · · · · · · ·	·····							* .	- ;	- 1	53,61	
Actual	20,263,490,515	F 74 400 040	. 407.000.040											
Budget	20,263,490,515 20,404,932,506				\$ 396,109,051 \$ 395,837,531	\$ 62,004,293	\$ 544,883,181	\$ 14.992,186 \$	17,120,990	\$ 34,616,785	\$ 384 5	12 (1,410,507,118	\$ 69.61
Variance,,	(141,441,991)				,,			\$ 20,162,601 \$		\$ 69,760,537	\$ - 9			\$ 73.42
Dollars per MWH - Actual				- 0,010,001	\$ 19.55		\$ (10,991,251)			\$ (35,143,752)	\$ 384 \$			\$ (3.81)
Dollars per MWH - Budget	:	\$ 3.84	\$ 11.24		10.00	\$ 3.02		\$ 0.74 \$ \$ 0.99 \$		\$ 1.71	ş <u>- :</u>		69.61	
							27,24	\$ 0,55 \$	1.16	\$ 3.42	\$ - :	- ;	73.42	
		Cust Charge					ACCRUED	REVENUES						
	KWH	Revenue	Demand Rovenue	Demand Rev. (Demand ECR)	Energy Rev. (excl. fuel)	Energy Rev.	Energy Rev.	FAC	DSM	ECR	MSR	STOD, ESM & VDT	Total	
TOTAL Ultimate Consumers:				Tournaire Corty	(oxer. idei)	(Base ECR)	(Base Fuel)	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	\$/MWH
Actual: Unbilled Accrual	929,796,638	\$ 3,232,000	\$ 8,006,139	\$ 3,418,689	\$ 21,551,070	\$ 3,283,000	£ 04 777 000							
Actual: Unbilled Reversal	(1,116,803,000)	\$ (3,154,000)	\$ (8,186,000)	\$ (3,595,000)				\$ (359,879) \$ \$ (2,489,000) \$		\$ 3,237,801			68,005,443	\$ 73.14
Actual: Net Accrued Revenues			\$ -	\$ -	\$.			\$ (1,161,000)	2,937,495	\$ (3, 275,000) \$ (5,218,913	\$ (6,000)			\$ 74.18
	{187,006,362}	\$ 78,000	\$ (179,861)	\$ (176,311)	\$ (4,451,930)	\$ (971,000)	\$ (5,971,902)	\$ (4.668.879) \$		\$ 5,181,714	\$ (6,000)		-(-11)100	\$.
Budget: Unbilled Accrual	948,785,323	\$	s -	•	\$ 20,574,240					* *******	(0,000)	- !	(5,517,149)	\$ 29.50
Budget: Unbilled Reversal	(883,288,741)		\$ -	7				\$ (447,225) \$		\$ 3,276,370			54,218,619	\$ 57,15
Budget: Other Accrued Revs.		\$	\$ -	\$ -				\$ (1,720,889) \$ \$	(//////-/	\$ (7,712,585) \$ -				\$ 66.27
Budget: Net Accrued Revs.	65,496,582	\$ -	\$ -	\$ -	\$ (2,453,123)			\$ (2,168,114) \$		<i>-</i>				\$ -
Wholesale-Municipals:								· (C,100,114) \$	30,102	\$ (4,436,215)	\$ - !	- 1	(4,320,829)	\$ (65.97)
Actual: Unbilled Accrual	156,587,862	\$ 26,072	\$ 3,066,694	\$ -	\$ 627,398	\$ -	\$ 3,841,100	\$ 212,323 \$		_	_			
Actual: Other Accrued Revenues	(6,996,000)	<u> </u>		\$ -		\$.			•	-				\$ 49.64
Actual: Net Accrued Revenues	440 504 505				\$ -	\$ -		\$ - 5		•				\$ 37.31
	149,591,862	\$ 26,072	\$ 3,002,694	\$ -	\$ 428,398	\$ -	\$ 3,841,100	\$ 214,323 \$						\$.
Budget: Unbilled Accrual	-	s -	s -	s .	•		_				· · ·	- 1	7,512,588	\$ 50.22
Budget: Unbilled Reversal	-		\$ -	•	•	\$ - \$ -	Ť .	_		•	\$ - :			s .
Budget: Other Accrued Revs.	. :	\$ -			\$ -		\$ - \$.			<u> </u>				\$ -
Budget: Net Accrued Revs	- "	\$ -	\$ -	\$ -	\$.		<u> </u>	· · · · · ·						\$ -
							<u> </u>		-	\$ -	\$. :	- 1	-	\$ -
		Cust. Charge					PERATING	REVENUES						
	KWH	Revenue	Demand Revenue	Demand Rev. (Demand ECR)	Energy Rev. (excl. fuel)	Energy Rev.	Energy Rev.	FAC	DSM	ECR	MSR	STOD, ESM & VDT	Total	
TOTAL Ultimate Consumers:				(Dettiald CON)	(axci. idei)	(Base ECR)	(Base Fuel)	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	\$/MWH
Actual	18,320,208,952	\$ 70.954.976	\$ 157,336,907	\$ 71,547,039	\$ 384.667 257									
Budget	18,451,355,444					\$ 61,033,293 \$ 64.578.995		\$ 7,845,138 \$		\$ 39,798,499	\$ (5,616) \$	12 5	1,308,772,366	\$ 71.44
Variance	(131,146,492)		\$ (23,190,214)			- 11-1-1-1-		\$ 16,187,096 \$		\$ 65,324,322	\$ - 9			\$ 75.09
Dollars per MWH - Actual					_			\$ (8,341,958) \$	1-3-1-41	\$ (25,525,823)	\$ (5,616)	12 \$	(76,806,663)	\$ (3.65)
Dollars per MWH - Budget	;		,					\$ 0.43 \$ \$ 0.88 \$	1,00	\$ 2.17	•			
Wholesale-Municipals:						7 0.00	23.04	÷ 0.65 \$	1.28	\$ 3.54	\$ - \$		75.09	
Actual	1,905,867,063	\$ 338.936	\$ 43,352,970	\$.	\$ 7,418,262	\$.								
Budget	2,019,073,644			•		•		\$ 5,697,493 \$		•			103,730,192	\$ 54.43
Variance	(113,206,581)	\$ 338,936	\$ (5,559,910)	\$ -		\$:		\$ 1,807,391 \$ \$ 3,890,102 \$		*			108,248,180	\$ 53.61
Dollars per MWH - Actual		\$ 0.18	\$ 22.75			\$ -		\$ 3,890,102 \$ \$ 2.99 \$		*			1.,,	\$ 0.81
Dollars per MWH - Budget	:	\$-		\$ -		\$ -		\$ 2.99 \$ \$ 0.90 \$						
TOTAL internal Sales:								- 0.00 3	-	\$ -	\$ - \$	- 1	53.61	
Actual	20,226,076,015	\$ 71,293,912	\$ 200,689,878	\$ 71,547,039	\$ 392,085,519									
Budget,	20,470,429,088	\$ 78,373,235				\$ 61,033,293 \$ 64,578,995		\$ 13,542,631 \$ \$ 17,994,487 \$				12 \$		\$ 69.84
Variance	(244,353,073)					\$ (3,545.701)		\$ 17,994,487 \$ \$ (4,451,856) \$		\$ 65,324,322	7	- \$	1,493,827,209	\$ 72.97
Dollars per MWH - Actual		\$ 3.52	\$ 9.92				\$ 26,83			\$ (25,525,823) \$ 1,97	1,		111	\$ (3.14)
								. 0.07	. 0.50	\$ 1.97	\$ - 9	- \$	69.84	

Exhibit 1 Reference Schedule 1.07

KENTUCKY UTILITIES

To Eliminate DSM Revenues and Expenses For the Twelve Months Ended December 31, 2011

1. DSM Revenue adjustment	\$ (17,120,990)
2. DSM Expense adjustment	 (12,541,915)
3. Net Adjustment	\$ (4,579,075)

Louisville Gas & Electric and Kentucky Utilities Companies Revenue Component Variances 12 Months Ending December 2011 vs. Budget (in whole dollars, except for price per unit data)

KU (Electric) (KY and TN only)														
							BILLED F	REVENUES						
	KWH	Cust Charge Revenue	Demand Revenue	Demand Rev. (Demand ECR)	Energy Rev. (excl. fuel)	Energy Rev.	Energy Rev.	FAC	DSM \	ECR	MSR	STOD, ESM & VDT	Total	
TOTAL Ultimate Consumers:				(Demand CON)	(exci. idei)	(Base ECR)	(Base Fuel)	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	\$/MWH
Actual	18,507,215,314	\$ 70.876.976	\$ 157,516,769	\$ 71,723,350	\$ 389,119,187	\$ 62,004,293	£ 504 004 750							
Budget							\$ 501,801,750 \$ 506,346,554		* (,			\$ 12	\$ 1,314,289,515	\$ 71.01
Variance	121,356,452	\$ (7,496,259)		\$ 8,379,087	\$ 1,281,687			\$ 18,355,210	7 . 40,00 1,104		5 -	\$ -	\$ 1,389,899,858	\$ 75.60
Dollars per MWH - Actual		\$ 3.83	\$ 8.51	\$ 3.88				\$ (8,846,193			\$ 384	\$ 12	\$ (75,610,343)	\$ (4.58)
Dollars per MWH - Budget		\$ 4.26	\$ 9.82				\$ 27.11 \$ 27.54	\$ 0.51 \$ 1.00			\$ -		\$ 71,01	
Wholesale-Municipals:	[200	¥ 0.00	4 27,34	\$ 1.00	\$ 1.29	\$ 3.79	\$ -	\$ -	\$ 75.60	
Actual	1,756,275,201	\$ 312,864	\$ 40,350,276	s .	£ 0000.004									
Dunia:				:	7 0,000,007	1		\$ 5,483,169		•	\$.	\$ -	\$ 96,217,604	\$ 54.79
Variance	(262,798,443)	\$ 312,864		\$ -		·		\$ 1,807,391		<u> </u>	\$ -		\$ 108,248,180	
Dollars per MWH - Actual		\$ 0.18	\$ 22.97	\$ -				\$ 3,675,778			\$ -	\$ -	\$ (12,030,576)	
Dollars per MWH - Budget		\$ -		•		\$ - \$ -		\$ 3.12 \$ 0.90					\$ 54.79	
TOTALLA						<u> </u>	24.00	9 0.50	\$ - 	\$ -	\$ -	\$.	\$ 53.61	
TOTAL Internal Sales:														
Actual	20,263,490,515		\$ 197,867,045	\$ 71,723,350	\$ 396,109,051	\$ 62.004.293	\$ 544,883,181	\$ 14,992,186			_			
Budget		\$ 78,373,235					\$ 555,874,432	\$ 20,162,601		\$ 34,616,785 \$ 69,760,537	1		\$ 1,410,507,118	
Variance	(141,441,991)		\$ (31,572,956)	\$ 8,379,087	\$ 271,520	\$ 302,993	\$ (10,991,251)						\$ 1,498,148,038	\$ 73,42
Dollars per MWH - Actual Dollars per MWH - Budget		\$ 3.51			\$ 19.55		\$ 26.89	\$ 0.74			-			\$ (3.81)
Donard por men 1 - Dodyot	<u> </u>	\$ 3.84	\$ 11.24	\$ 3,10	\$ 19.40	\$ 3,02		\$ 0.99			\$ - \$ -	•		
										V 0.42	-	-	\$ 73.42	
							ACCRUED	REVENUE	S					
	кулн	Cust, Charge Revenue	Demand Revenue	Demand Rev.	Energy Rev.	Energy Rev.	Energy Rev.	FAC	DSM	ECR	MSR	STOD, ESM & VDT	Total	
TOTAL Ultimate Consumers:	[VEASURE	Revenue	(Demand ECR)	(excl. fuel)	(Base ECR)	(Base Fuel)	Revenue	Revenue	Revenue	Revenue	Revonue	Revenue	\$/MWH
Actual: Unbilled Accrual	929,796,638	\$ 3,232,000	\$ 8,006,139		_									
Actual: Unbilled Reversal		\$ (3,154,000)	\$ (8,186,000)			\$ 3,283,000	\$ 24,777,098	\$ -(359,879)			\$ -	s .	\$ 68,005,443	\$ 73.14
Actual: Other Accrued Revenues		\$ -	\$ -	\$ (2,223,000)	\$ (26,003,000) \$	\$ (4,254,000) \$	\$ (30,749,000) \$	\$ (2,465,000				\$ -		
Actual: Net Accrued Revenues	(187,006,362)	\$ 78,000	\$ (179,861)	\$ (176,311)	\$ (4,451,930)	\$ (971,000)		\$ 1,161,000				5 -	\$ 9,317,408	\$ -
Budget: Unbilied Accrual	010 707 000	_			4 (4,404,000)	4 (311,000)	\$ (5,971,902)	\$ (1,663,879)	\$ 2,644,020	\$ 5,181,714	\$ (6,000)	\$.	\$ (5,517,149)	\$ 29.50
Budget: Unbilled Reversal	948,785,323 (883,288,741)		\$ -		\$ 20,574,240	\$ 3,525,116	\$ 26,129,548	\$ (447,225	\$ 1,160,570	\$ 3,276,370	s .	s .	•	
Budget: Other Accrued Revs		1	\$ -	\$ - \$ -	(\$ (24,325,772)	\$ (1,720,889			\$ -			
Budget: Net Accrued Revs.	65,496,582	*	\$ -				\$ -	\$ -	s -	\$ -		\$ -		\$ 66.27
Wholesale-Municipals:			· · · · · · · · · · · · · · · · · · ·	·	\$ (2,453,123)	\$ 2,877,695	\$ 1,803,776	\$ (2,168,114	\$ 55,152	\$ (4,436,215)	\$.	\$ -	\$ (4,320,829)	
Actual: Unbilled Accrual	156,587,862	¢ 20.075	n n.occ.co.	_	_								. ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	- (00.07)
Actual: Unbilled Reversal			\$ 3,066,694 \$ (64,000)			\$ -		\$ 212,323		\$ -	\$ -	\$.	\$ 7,773,588	\$ 49.64
Actual: Other Accided Revenues		š .	\$ (04,000)	\$. \$.				\$ 2,000	\$ -	\$ -			\$ (261,000)	
Actual: Net Accrued Revenues	149,591,862	\$ 26,072	\$ 3,002,694					\$ -		<u> </u>		\$ -		\$ -
Budget: Unbilled Accrual				···	420,030	\$ -	\$ 3,841,100	\$ 214,323	<u> </u>	<u> </u>	\$ -	\$ -	\$ 7,512,588	\$ 50.22
Budget: Unbilled Reversal			\$ -	•		\$ -	\$ -	\$.	s -	s -	\$ -	s .		
Budget: Other Accrued Revs.			-			\$ -		\$ -	\$ -				*	\$ - \$ -
Budget: Net Accrued Revs			· ·			\$ -		\$ -	\$ -	S -			2	
			·	-	<u> </u>	<u> </u>	<u> </u>	\$ -	\$ -	\$ -	\$ -	\$ -		\$:
			····				PERATING	BEVENUE	- 0					
i		Cust. Charge	Demand	Demand Rev.	Energy Rev.	Energy Rev.								
	KWH	Revenue	Revenue	(Demand ECR)	(excl. fuel)	(Base ECR)	Energy Rev. (Base Fuel)	FAC Revenue	DSM Revenue	ECR Revenue	MSR	STOD, ESM & VDT	Total	
TOTAL Ultimate Consumers:							12001007	1,010,100	Wassind	Veneure	Revenue	Revenue	Revenue	\$/MWH
Actual		\$ 70,954,976	\$ 157,336,907	\$ 71,547,039	\$ 384,667,257	\$ 61,033,293	\$ 495,829,848	\$ 7,845,138	\$ 19,765,010					
Budget Varlance		\$ 78,373,235					\$ 508,150,330	\$ 16,187,096			\$ (5,616) \$			
Dollars per MWH - Actual	(131,146,492)		\$ (23,190,214)	\$ 8,202,776	\$ (717,120)	\$ (3,545,701)		\$ (8,341,958)					\$ 1,385,579,029	\$ 75.09
Dollars per MWH - Actual Dollars per MWH - Budget		\$ 3.87			\$ 21,00			\$ 0,43			(0,010)	\$ 12		\$ (3.65)
		\$ 4.25	\$ 9.78	\$ 3.43	\$ 20,89	\$ 3.50		\$ 0.88				\$ - \$ -		
Wholesale-Municipals:	1										•	• -	\$ 75,US	
Actual				\$ -	\$ 7,418,262	\$ -	\$ 46,922,531	\$ 5.697.493	s -	\$ -	•	_		
-				\$ -	\$ 8,000,031	\$ -		\$ 1.807.391		•	•	*		
	(113,206,581)		\$ (5,559,910)	\$ -	\$ (581,769)	\$ -		\$ 3,890,102	-	<u>* </u>			100,210,100	
Dollars per MWH - Actual Dollars per MWH - Budget				\$ -		\$ -		\$ 2.99						\$ 0.81
Source her MAALI - addder		\$ -	\$ 24.23	\$ -	\$ 3.96	\$ -				•				
TOTAL Internal Sales:											-	\$ -	\$ 53,61	
Actual	20,226,076,015	\$ 71,293,912	\$ 200,689,878	£ 74 547 000	ê non com #**									
Budget					\$ 392,085,519 \$ 393,384,408						\$ (5,616)	\$ 12	\$ 1,412,502,557	\$ 69.84
Variance	-						\$ 557,678,208	\$ 17,994,487			<u> </u>		\$ 1,493,827,209	\$ 72.97
Dollars per MWH - Actual		. (////////////////////////////////////	\$ (20,750,125)		. (.,,,,)		\$ (14,925,829)	\$ (4,451,856)		. ((2-()			\$ (81,324,652)	
	ı	- 0.02	¥ 3.52	e 3,34	\$ 19,39	\$ 3.02	\$ 26.83	\$ 0.67	\$ 0.98	\$ 1.97	\$ -	\$ -	\$ 69.84	

KU Reconciliation of DSM Expenses per GL to ASSD Filing FY 2011

	Г	General Ledger	Accrual	 Adjusted Total	T	otal Expense for	
		(Acct. 908005)	Adjustment	Expenses		ASSD Filing	Difference
		(1)	(2)	 (1) + (2)			
Dec-11	\$	1,700,630.01	\$ (61,000.00)	\$ 1,761,630.01	\$	1,761,630.01	\$ -
Nov-11	\$	996,703.86	\$ 166,000.00	\$ 830,703.86	\$	830,703.86	\$ -
Oct-11	\$	750,263.77	\$ (84,000.00)	\$ 834,263.77	\$	834,263.77	\$ -
Sep-11	\$	1,103,305.85	\$ 15,000.00	\$ 1,088,305.85	\$	1,088,305.85	\$ - [
Aug-11	\$	1,593,096.33	\$ (118,000.00)	\$ 1,711,096.33	\$	1,711,096.33	\$ - [
Jul-11	\$	1,416,811.55	\$ (14,000.00)	\$ 1,430,811.55	\$	1,430,811.35	\$ 0.20
Jun-11	\$	1,176,043.75	\$ (25,000.00)	\$ 1,201,043.75	\$	1,201,043.95	\$ (0.20)
May-11	\$	989,070.40	\$ (11,000.00)	\$ 1,000,070.40	\$	1,000,070.40	\$ - (
Apr-11		525,262.34	\$ (143,000.00)	\$ 668,262.34	\$	668,262.34	\$ -
Mar-11		805,577.60	\$ 67,000.00	\$ 738,577.60	\$	738,577.60	\$ -
Feb-11		378,260.13	\$ (118,000.00)	\$ 496,260.13	\$	496,260.10	\$ 0.03
Jan-11	\$	1,163,888.87	\$ 383,000.00	\$ 780,888.87	\$	780,888.87	\$
	\$	12,598,914.46	\$ 57,000.00	\$ 12,541,914.46	\$	12,541,914.43	\$ 0.03

KU
Adjusted DSM Expenses
For the 12 Months Ended December 31, 2011

								RECONC	ILA	TION				_
	To	tal Expenses		Accrual			T-S	TAT Expenses	A	djusted Total	-	(accor 9560	09	3)
	F	er DSM File	А	djustment (a)	C	CCS Expense (b)		(c)		Expenses	G	eneral Ledger		Difference
Dec-11	\$	1,768,551.33	\$	(61,000.00) \$		\$	(6,921,32)	\$	1,700,630.01	\$	1,700,630.01	\$	-
Nov-11	\$	830,528.86	\$	166,000.00	\$ (-	\$	175.00	\$	996,703.86	\$	996,703.86	\$	-
Oct-11	\$	834,263.77	\$	(84,000.00) Ş		\$	-	\$	750,263.77	\$	750,263,77	\$	-
Sep-11	\$	1,097,142.17	\$	15,000.0) \$	85.00	\$	(8,921.32)	\$	1,103,305.85	\$	1,103,305.85	\$	-
Aug-11	\$	1,703,987.24	\$	(118,000.0	o) \$	25.00	\$	7,084.09	\$	1,593,096.33	\$	1,593,096.33	\$	•
Jul-11	\$	1,430,728.95	' \$	(14,000.0	0) \$		\$	82.40	\$	1,416,811.35	\$	1,416,811.55	\$	(0.20)
Jun-11	\$	1,201,043.95	\$	(25,000.0	0) \$	-	\$	-	\$	1,176,043.95	\$	1,176,043.75	\$	0.20
May-11	\$	1,000,070.40	\$	(11,000.0	0) \$	-	\$	-	\$	989,070.40	\$	989,070.40	\$	-
Apr-11	\$	668,124.34	\$	(143,000.0	0) \$	-	\$	138.00	\$	525,262,34	\$	525,262.34	\$	-
Mar-11	\$	738,439.60	\$	67,000.0	0 \$	-	\$	138.00	\$	805,577.60	\$	805,577,60	\$	-
Feb-11	\$	507,720.40	\$	(118,000.0	0) \$	\$ -	\$	(11,460.30)	\$	378,260,10	\$	378,260.13	\$	(0.03)
Jan-11	\$	748,034.84	_\$_	383,000.0	0 \$	\$ -	\$	32,854.03	\$	1,163,888.87	\$	1,163,888.87	\$	-
-	\$	12,528,635.85	\$	57,000.0	0 5	\$ 110.00	\$	13,168.58	\$	12,598,914.43	\$	12,598,914.46	\$	(0.03)
		TRISE				, , , , , , , , , , , , , , , , , , ,								

- (a) Accruals are made on a monthly basis to Oracle Account 908005 for estimated DSM expenses. Accruals for estimated expenses are not recoverable through the DCR mechanism until the accruals amount of the expenditures are known and recorded to the GL. As a result, the accruals are excluded from the DSM expenses for purposes of the ASSD filling.
- (b) CCS expenses (expenses that are recorded directly from CCS to Oracle Account 908005) should be recoverable expenses. However, when they were incurred, they did not go through the normal DCR recovery process and are therefore not included in the expenses in column B above. The CCS expenses were customer account write-offs. Certain customers signed up for energy audit, HVAC diagnostic, and HVAC tune up programs, but did not pay for these charges even though the company performed these services. As such, the expenses are allowed through the mechanism and will be adjusted through the DSM DBA mechanism in the 2012 DBA filing.
- (c) The T-Stat expenses are similar to (b) above. These expenses were recorded to Oracle Account 908005 when they occured, but did not go through the normal DCR recovery process and are therefore not included in the expenses in column B above. The T-STAT expenses are now considered recoverable and will be adjusted through the DSM DBA mechanism in the 2012 DBA filling.

			Ad	ditional Expense not		
	To	otal Expenses	re	covered in O/U file	Tot	tal Expense for
	F	er DSM File	(CC	S and T-Stat Expense)		ASSD Filing
Dec-11	\$	1,768,551.33	\$	(6,921.32)	\$	1,761,630.01
Nov-11	\$	830,528.86	\$	175.00	\$	830,703.86
Oct-11	\$	834,263.77	\$	-	\$	834,263.77
Sep-11	\$	1,097,142.17	\$	(8,836.32)	\$	1,088,305.85
Aug-11	\$	1,703,987.24	\$	7,109.09	\$	1,711,096.33
Jul-11	\$	1,430,728.95	\$	82.40	\$	1,430,811.35
Jun-11	\$	1,201,043.95	\$	•	\$	1,201,043.95
May-11	\$	1,000,070.40	\$	-	\$	1,000,070.40
Apr-11	\$	668,124.34	\$	138.00	\$	668,262.34
Mar-11	\$	738,439.60	\$	138.00	\$	738,577.60
Feb-11	\$	507,720.40	\$	(11,460.30)	\$	496,260.10
Jan-11	\$	748,034.84	\$	32,854.03	\$	780,888.87
	\$	12,528,635.85	\$	13,278.58	\$	12,541,914.43

Exhibit 1 Reference Schedule 1.08

KENTUCKY UTILITIES

Adjustment to Annualize Year-End Customers <u>At December 31, 2011</u>

1. Revenue adjustment	\$ (13,701,571)
2. Expense adjustment	(7,542,566)
3. Net adjustment	\$ (6,159,006)

Louisville Gas and Electric Company Adjustment to Reflect Year End Number of Customers Twelve Months Ended December 31, 2011

(1) (2) (3) (4) (5) (6) (7) (8) (9)

	Average Number of		Year-End Over /		Average kWh	11377		ent Rates Net ue (Base Rates	A - 10	race Pavenue	R	evenue
	Customers, 13 Months	Number of Customers Served	(Under) 13-Month					e (Base Kates C - Base ECR)		per kWh		justment
	Ended December 31, 2011	at December 31, 2011	Average	Actual kWh	per Year (4)/(1)	Adjustment (3) * (5)	TIAC	, - Base ECK)		(7) / (4)		6) * (8)
		,	(2) - (1)		(+)/(1)	(3) - (3)					•	
				C 004 C77 200			S	466,664,711				
RS	419,495	418,163		6,894,677,300			s	498,139				
RS3	268	265		7,667,163 1,060,705			S	69,624				
RSVFD	45	46		512,720			\$	33,787				
RSNM	24	29		312,120				•				
			(1.200)	6,903,917,888	16,444	(21,854,076)	s	467,266,261	S	0.06768	\$	(1,479,084)
Residential Service excluding Rate LEV	419,832	418,503	(1,329)	0,903,917,000	10,444	(21,051,010)	•					
		0		0			\$	-				
RSLEV	0	0			0	0	\$	-	\$	-	\$	•
Residential Service - Electric Vehicle Only	U	•	•									
	64,954	64,285		937,411,626			\$	80,305,832				
GS	5	5		117,542			\$	9,321				
GSNM	16,982	17,106		1,225,840,655			\$	92,939,213				
GS3	4	3		278,763			\$	21,111				
GS3NM	•							173,275,477		80080,0	ç	(1,154,436)
General Service	81,945	81,399	(546)	2,163,648,586	26,403	(14,416,038)	\$	113,213,411	Þ	0.00000	•	(1,12 / 12-)
General Service	•						\$	764,928				
AES	371			11,855,542			\$	6,847				
AESP	8			83,340 162,682,304			Š	9,714,815				
AES3	254			94,360			\$	5,935				
AES3P	I	. 4	•	34,500	•			-				
		623	(11)	174,715,546	275,576	(3,031,336)	\$	10,492,526	\$	0.06005	\$	(182,032)
Rate AES	634	02.	, (,	,	-							
							_					
Power Service	173	17:	3	75,769,716			\$	5,028,311 48,987,472				
PSP PSPPF	15			890,081,173		**********	S	54,015,783		0.05593	5	(2,500,928)
	324	30		965,850,889		(44,715,315)	\$	124,966,519		0.05575	•	(2,2,)
Primary PSS	5,27	5,00		1,871,060,62			Š	84,845,552				
PSSPF	57:			1,461,086,20			Š	28,814				
PSSNM			3 (220)	352,40 3,332,499,23		(158,418,856	-	209,840,885		0.06297	\$	(9,975,635)
Secondary	5,84	8 5,57	0 (278)	. 3,332,499,23	, 300,032	(200,110,000						
Industrial Time of Day	13	5 12	9	3,765,039,04	6		\$	177,701,771			_	(# 000 315)
TODP	13			3,765,039,04		(167,335,068		177,701,771		0.04720	\$	(7,898,215)
Primary	13	•		428,965,23			S	21,411,959		0.04992		4,477,460
TODS	11	·		428,965,23	6 3,899,683	89,692,709	\$	21,411,959	<i>y</i> 3	0.04992	3	4,411,400
Secondary	••						5	78,556,30	n			
RTS	3			1,725,192,48		107,824,530	-	78,556,30		0,04553	\$	4,909,251
Retail Transmisison Service	3	2 3	34 2	1,725,192,48	33,912,20.	, 107,024,550	•	,-,,-				
			0		0		S	-				
FLSP		•	1	578,471,24			\$	23,476,82				
FLST		•	1 0	578,471,24		6 (\$ (23,476,82	3 \$	0.04058	3	-
Fluctuating Load Service		1										
		1	1	28,0			S	1,35		0.04838		_
LE		1	1 0	28,0		3	2 (1,35 96,04	5 \$	0.04030	, 3	-
Lighting Energy	59	96 7	19	1,135,4				96,04 96,04		0,08459	9 \$	19,821
TE Traffic Energy		96 7	19 123	1,135,4	21 1,90	5 234,31	, 3	20,04	- 3	, 0,0045.	•	
Lance Division												
									p	er Light per Yea		
ODL	Lig			135,384,1	40 80	0 507,20	0. \$	21,948,26				82,227
Lighting Service	169,0	50 169,6	634 634	133,384,1	,				_			
<u> </u>			-	20,174,847,7	137			1,238,083,44	46		3	(13,701,571)
Totals	678,5	08 677,1	.03	20,174,047,7					2			
												(7,542,566)
E ot an Oncenting Pat	io of 0.55048909	98 (see page 2)										

Expenses at an Operating Ratio of

0.550489098 (see page 2)

\$ (6,159,006)

Louisville Gas and Electric Company Adjustment to Reflect Year End Number of Customers Twelve Months Ended December 31, 2011

CALCULATION OF ELECTRIC OPERATING RATIO

TOTAL ELECTRIC OPERATING EXPENSES LESS WAGES AND SALARIES LESS PENSIONS AND BENEFITS LESS REGULATORY COMMISSION EXPENSE	\$ 859,662,125 97,239,491 37,398,933 1,524,688
NET EXPENSES	\$ 723,499,013
TOTAL ELECTRIC OPERATIONS REVENUES (AS BILLED)	\$ 1,314,283,999
OPERATING RATIO	0.550489098

KENTUCKY UTILITIES

Adjustment To Reflect Annualized Depreciation Expenses <u>At December 31, 2011</u>

1. Annualized direct depreciation expense under current rates excluding ARO and ECR	\$ 143,476,996
2. Depreciation expense per books for test year	\$ 189,190,233
3. Depreciation expense for asset retirement costs (ARO)	(3,028,523)
4. Depreciation for environmental cost recovery (ECR) plans	(46,839,413)
5. Depreciation expense per books excluding ARO and ECR	\$ 139,322,297
6. Total Adjustment to reflect annualized depreciation expense (Line 1 - Line 5)	4,154,699
7. Kentucky Jurisdiction (Ref. Sch. Allocators)	 87.347%
8. Kentucky Jurisdictional adjustment	\$ 3,629,021

Property Group		Depreciable Plant 12/31/11	Current Rates ASL	Depreciation Using Curr. Rates		
			* "			
_	ble Plant	\$ 44,4:	56 0.00%	\$	<u></u>	
301 302	Organization Franchises and Consents	55,9		Ψ	· <u>-</u>	
303	Misc. Intangible Plant - Software	18,338,7			3,667,742	
303.1	CCS Software	40,210,20			4,021,021	
505.1	Total Intangible Plant	\$ 58,649,29	The same of the sa	\$	7,688,763	
Steam I	Production Plant					
310.00	Land	\$ 10,881,10	0.00%	\$	-	
311.00	Structures and Improvements					
	5603 Tyrone Unit 3	5,608,83			-	
	5604 Tyrone Units 1&2	583,33			-	
	5613 Green River Unit 3	2,821,4.			•	
	5614 Green River Unit 4	5,476,0			-	
	5615 Green River Units 1&2	2,560,70			20 210	
	5621 Brown Unit 1	4,703,19			28,219 1,786	
	5622 Brown Unit 2	2,232,10 21,039,6°			113,614	
	5623 Brown Unit 3	43,917,2			1,163,806	
	5630 Brown Unit 1,2,3 FGD	16,20			1,105,000	
	5643 Pineville Unit 3 5651 Ghent Unit 1	18,842,1			73,484	
	5650 Ghent Unit 1 FGD	8,483,7			224,820	
	5652 Ghent Unit 2	16,011,0			80,055	
	5658 Ghent Unit 2 FGD	15,817,33			419,159	
	5653 Ghent Unit 3	42,177,13			501,908	
	5654 Ghent Unit 4	31,022,09	91 1.41%		437,411	
	0321 Trimble County Unit 2	106,290,5	31 2.10%		2,232,102	
	0322 Trimble County Unit 2 FGD	5,522,30	07 2.10%		115,968	
	5591 System Laboratory	824,96	59 1.54%		12,705	
		\$ 333,950,2	15	\$	5,405,039	
312.00	Boiler Plant Equipment	# 12.002.00	2 2000		### 22D	
	5603 Tyrone Unit 3	\$ 13,993,2		\$	558,332	
	5604 Tyrone Units 1&2	421,90			591 374,090	
	5613 Green River Unit 3	12,145,7° 25,165,9			1,056,968	
	5614 Green River Unit 4	349,29			7,615	
	5615 Green River Units 1&2	45,302,4			1,350,014	
	5621 Brown Unit 1 5622 Brown Unit 2	41,956,80			1,262,902	
	5623 Brown Unit 3	142,628,39			3,993,595	
	5630 Brown Unit 1,2,3 FGD	323,725,09			12,528,161	
	5643 Pineville Unit 3	236,4			yy	
	5650 Ghent Unit 1 FGD	144,202,7			5,580,647	
	5651 Ghent Unit 1	198,785,0			7,633,346	
	5652 Ghent Unit 2	98,446,68	36 2.33%		2,293,808	
	5658 Ghent Unit 2 FGD	93,278,5	11 3.87%		3,609,878	
	5653 Ghent Unit 3	254,967,9	10 2.63%		6,705,656	
	5660 Ghent 3 FGD	127,988,94	19 3.87%		4,953,172	
	5654 Ghent Unit 4	267,856,28			7,473,190	
	5661 Ghent Unit 4 FGD	307,100,3			11,884,784	
	0321 Trimble County Unit 2	505,158,90			21,620,804	
	0322 Trimble County Unit 2 FGD	70,735,32 \$ 2,674,446,21		\$	3,027,472 95,915,025	
314.00	Turbogenerator Units					
	5603 Tyrone Unit 3	\$ 4,805,5		\$	165,310	
	5604 Tyrone Units 1&2	68,20		~	120 204	
	5613 Green River Unit 3	4,562,19			132,304	
	5614 Green River Unit 4	10,390,48			393,799 84,144	
	5621 Brown Unit 1	7,512,83 12,299,73			. 357,922	
	5622 Brown Unit 2	12,299,72	2.7170		. 331,742	

	Property Group		Depreciable Plant 12/31/11	Current Rates ASL		Depreciation Using Curr. Rates
	5623 Brown Unit 3		29,293,398	3.17%		928,601
	5651 Ghent Unit 1		36,687,321	2.23%		818,127
	5652 Ghent Unit 2		30,417,592	2.08%		632,686
	5653 Ghent Unit 3		42,595,557	2.03%		864,690
	5654 Ghent Unit 4		57,036,973	2.20%		1,254,813
	0321 Trimble County Unit 2		83,994,733	2.78%		2,335,054
	0321 Himoto County Cine 2	\$	319,664,520		\$	7,967,449
315.00	Accessory Electric Equipment					
	5603 Tyrone Unit 3	\$	2,081,693	0.00%	\$	-
	5604 Tyrone Units 1&2		99,211	0.00%		-
	5613 Green River Unit 3		1,205,362	0.00%		-
	5614 Green River Unit 4		2,695,329	1.46%		39,352
	5621 Brown Unit 1		3,859,109	2.10%		81,041
	5622 Brown Unit 2		2,165,577	0.48%		10,395
	5623 Brown Unit 3		8,597,466	0.54%		46,426
	5630 Brown Unit 1,2,3 FGD		29,503,821	2.70%		796,603
	5650 Ghent Unit 1 FGD		13,292,785	2.70%		358,905
	5651 Ghent Unit 1		8,872,543	0.55%		48,799
	5652 Ghent Unit 2		13,858,389	0.60%		83,150
	5658 Ghent Unit 2 FGD		1,155,753	2.70%		31,205
	5653 Ghent Unit 3		30,932,405	1.03%		318,604
			12,041,998	2.70%		325,134
	5660 Ghent 3 FGD		24,412,797	1.22%		297,836
	5654 Ghent Unit 4		3,844,595	2.70%		103,804
	5661 Ghent 4 FGD			2.49%		
	0321 Trimble County Unit 2		41,600,357			1,035,849
	0322 Trimble County Unit 2 FGD		1,415,469 201,634,659	2.49%	-\$	35,245 3,612,349
716.00	Missellensous Dignt Equipment	Φ	201,034,039		Φ	3,012,349
316.00	Miscellaneous Plant Equipment	\$	553,355	3.12%	\$	17,265
	5603 Tyrone Unit 3	Φ	50,127	0.00%	Ψ	17,205
	5604 Tyrone Units 1&2		152,146	3.97%		6,040
	5613 Green River Unit 3		2,408,143	2.71%		65,261
	5614 Green River Unit 4		2,408,143 84,750	0.00%		05,201
	5615 Green River Units 1&2			2.26%		9,776
	5621 Brown Unit 1		432,578			757
	5622 Brown Unit 2		106,658	0.71%		
	5623 Brown Unit 3		5,070,448	2.33%		118,141
	5650 Ghent Unit 1 FGD		1,033,027	2.87%		29,648
	5651 Ghent Unit 1		1,747,527	1.38%		24,116
	5652 Ghent Unit 2		1,500,525	1.07%		16,056
	5653 Ghent Unit 3		3,150,438	1.40%		44,106
	5654 Ghent Unit 4		7,455,181	2.03%		151,340
	0321 Trimble County Unit 2		3,502,447	3.00%		105,073
	5591 System Laboratory		2,763,049	2.74%		75,708
		\$	30,010,399		\$	663,287
317.00	Asset Retirement Obligations - Steam*	MARKET ALL CO.	56,489,771			
	Total Steam		3,627,076,951		\$	113,563,149
		Ψ	3,027,070,331			113,503,113
нуогаи	lic Production Plant 5691 Dix Dam					
	330.10 Land Rights	\$	879,311	0.00%	\$	-
	331.00 Structures and Improvements	*	616,527	1.29%	~	7,953
	332.00 Reservoirs, Dams & Waterways		21,603,970	0.72%		155,549
	333.00 Water Wheels, Turbines and Generators		4,430,624	0.7278		29,242
			578,333	0.83%		4,800
	334.00 Accessory Electric Equipment			3.55%		
	335.00 Misc. Power Plant Equipment		297,024			10,544
	336.00 Roads, Railroads and Bridges		176,360	0.00%		-
	337.00 Asset Retirement Obligations - Hydro*		57,609			
	Total Hydraulic Plant	\$	28,639,758		\$	208,088

	Property Group		Depreciable Plant 12/31/11	Current Rates ASL		Depreciation Using Curr. Rates
Other F	Production Plant					
340.10	Land Rights - 5645 Brown CT 9 Gas Pipeline	\$	176,409	2.97%	\$	5,239
340.20	Land		118,514	0.00%		-
341.00	Structures and Improvements					
	5697 Paddy's Run Generator 13		1,910,328	3.03%		57,883
	5635 Brown CT 5		775,082	3.04%		23,562
	5636 Brown CT 6		192,814	3.05%		5,881
	5637 Brown CT 7		544,966	2.93%		15,968
	5638 Brown CT 8 5639 Brown CT 9		2,012,655 4,641,055	2.60% 2.60%		52,329 120,667
	5640 Brown CT 10		1,865,718	2.61%		48,695
	5641 Brown CT 11		1,895,014	2.72%		51,544
	0470 Trimble County CT 5		3,740,231	3.14%		117,443
	0471 Trimble County CT 6		3,588,684	3.12%		111,967
	0474 Trimble County CT 7		3,559,155	3.32%		118,164
	0475 Trimble County CT 8		3,548,852	3.32%		117,822
	0476 Trimble County CT 9		3,655,976	3.32%		121,378
	0477 Trimble County CT 10		3,653,030	3.32%		121,281
	5696 Haefling Units 1,2,&3		434,853	6.47%		28,135
	5050 11 10 111111 1,=,==5	-\$	36,018,413		\$	1,112,720
342.00	Fuel Holders, Producers and Accessories	•	, ,			, ,
	5697 Paddy's Run Generator 13	\$	1,995,101	3.11%	\$	62,048
	5635 Brown CT 5		795,788	3.11%		24,749
	5636 Brown CT 6	·	406,460	2.92%		11,869
	5637 Brown CT 7		405,871	2.92%		11,851
	5638 Brown CT 8		252,006	2.63%		6,628
	5639 Brown CT 9		2,018,754	2.65%		53,497
	5640 Brown CT 10		264,131	2.63%		6,947
	5641 Brown CT 11		284,823	2.74%		7,804
	5645 Brown CT 9 Gas Pipeline		8,106,131	2.57%		208,328
	0470 Trimble County CT 5		239,584	3.21%		7,691
	0471 Trimble County CT 6		239,246	3.21%		7,680
	0473 Trimble County CT Pipeline		4,850,115	3.23%		156,659
	0474 Trimble County CT 7		578,059	3.42%		19,770
	0475 Trimble County CT 8		576,386	3.42%		19,712
	0476 Trimble County CT 9		593,786	3.42%		20,307
	0477 Trimble County CT 10		622,873	3.42%		21,302
	5696 Haefling Units 1,2,&3		518,705 22,747,817	0.00%	\$	646,841
343.00	Prime Movers	Ψ	22,717,017		Ψ	010,011
	5697 Paddy's Run Generator 13	\$	17,803,364	3.62%	\$	644,482
	5635 Brown CT 5	2	14,666,936	3.65%		535,343
	5636 Brown CT 6		34,600,149	3.55%		1,228,305
	5637 Brown CT 7		31,657,719	3.58%		1,133,346
	5638 Brown CT 8		26,710,990	3.30%		881,463
	5639 Brown CT 9		23,335,363	3.23%		753,732
	5640 Brown CT 10		20,074,766	3.26%		654,437
	5641 Brown CT 11		34,794,971	3.41%		1,186,509
	0470 Trimble County CT 5	,	31,137,756	3.72%		1,158,325
	0471 Trimble County CT 6		32,030,243	3.72%		1,191,525
	0474 Trimble County CT 7		23,223,116	3.91%		908,024
	0475 Trimble County CT 8		23,034,741	3.91%		900,658
	0476 Trimble County CT 9		22,902,196	3.91%		895,476
	0477 Trimble County CT 10	\$	22,850,722 358,823,032	3.91%	\$	893,463 12,965,088
344.00	Generators	Ψ	JJ0,02J,0J2		Ψ	120,700,000
	5697 Paddy's Run Generator 13	\$	5,185,636	2.94%	\$	152,458
	5635 Brown CT 5		2,858,148	2.94%		84,030
	5636 Brown CT 6		3,712,620	2.76%		102,468

			Depreciable Plant	Current Rates	Γ	Depreciation Using
	Property Group		12/31/11	ASL	(Curr. Rates
	5637 Brown CT 7		3,722,788	2.76%	-	102,749
	5638 Brown CT 8		4,953,961	2.46%		121,867
	5639 Brown CT 9		5,452,041	2.31%		125,942
	5640 Brown CT 10		4,944,423	2.46%		121,633
	5641 Brown CT 11		5,187,040	2.53%		131,232
	0470 Trimble County CT 5		3,763,275	3.04%		114,404
	0471 Trimble County CT 6		3,757,947	3.04%		114,242
	0474 Trimble County CT 7		2,950,282	3.26%		96,179
	0475 Trimble County CT 8		2,937,930	3.26%		95,777
	0476 Trimble County CT 9		2,957,520	3.26%		96,415
	0477 Trimble County CT 10		2,954,149	3.26%		96,305
	5696 Haefling Units 1,2,&3		4,023,002	0.00%		, 0,500
	3090 Haeming Omis 1,2,&3	\$	59,360,761	0.0070	\$	1,555,700
745.00	A Plastin Pavinment	J	39,300,701		Ф	1,555,700
345.00	Accessory Electric Equipment	ø	2 456 720	2 000/	ው	70 742
	5697 Paddy's Run Generator 13	\$	2,456,320	2.88%	\$	70,742
	5635 Brown CT 5		2,277,020	2.89%		65,806
	5636 Brown CT 6		1,975,216	2.71%		53,528
	5637 Brown CT 7		1,935,782	2.71%		52,460
	5638 Brown CT 8		2,720,730	2.41%		65,570
	5639 Brown CT 9		4,205,847	2.32%		97,576
	5640 Brown CT 10		2,744,493	2.44%		66,966
	5641 Brown CT 11		1,863,053	2.48%		46,204
	0470 Trimble County CT 5		1,693,975	2.98%		50,480
	0471 Trimble County CT 6		4,324,591	2.98%		128,873
	0474 Trimble County CT 7		3,148,439	3.19%		100,435
	0475 Trimble County CT 8		3,139,332	3.19%		100,145
	0476 Trimble County CT 9		3,234,031	3.19%		103,166
	0477 Trimble County CT 10		7,196,618	3.19%		229,572
	5696 Haefling Units 1,2,&3		1,451,957	0.00%		-
	5 0 9 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	\$	44,367,406		\$	1,231,521
346.00	Miscellaneous Plant Equipment	•	,,		•	-,,
510.00	5697 Paddy's Run Generator 13	\$	1,089,550	3.20%	\$	34,866
	5635 Brown CT 5	Ψ	2,139,353	3.20%	•	68,459
	5636 Brown CT 6		53,749	3.33%		1,790
	5637 Brown CT 7		35,647	3.23%		1,151
			285,932	2.77%		7,920
	5638 Brown CT 8		760,2 <i>55</i>	2.77%		
	5639 Brown CT 9		-			21,059
	5640 Brown CT 10		274,391	2.85%		7,820
	5641 Brown CT 11		590,563	3.22%		19,016
	0470 Trimble County CT 5		28,964	3.73%		1,080
	0474 Trimble County CT 7		8,889	3.50%		311
	0475 Trimble County CT 8		8,861	3.50%		310
	0476 Trimble County CT 9		9,114	3.50%		319
	0477 Trimble County CT 10		41,869	3.49%		1,461
	5696 Haefling Units 1,2,&3		35,805	0.00%		
		\$	5,362,941		\$	165,564
347.00	Asset Retirement Obligations Other Production*		17,791			
	Total Other Production	\$	526,993,085		\$	17,682,673
Transm	ission Plant					
	350.1 Land Rights	\$	23,413,729	0.98%	\$	229,455
	350.2 Land		2,199,383	0.00%		-
	352.1 Struct. and Impr. Non Sys Control		17,020,059	1.54%		262,109
	352.2 Struct. and Impr. Sys Control		1,220,543	1.43%		17,454
	353.1 Station Equipment		191,753,788	1.98%		3,796,725
	353.2 Syst Control/Microwave Equip		14,668,404	0.46%		67,475
	354 Towers & Fixtures		95,353,357	1.21%		1,153,776
	355 Poles & Fixtures		148,658,780	2.28%		3,389,420
	200 I Glod to I Intuited		140,000,700	2.20/0		2,202,720

Property Group	Depreciable Current Plant Rates 12/31/11 ASL			epreciation Using Curr. Rates	
356 Overhead Conductors and Devices		160,446,879	1.79%		2,871,999
357 Underground Conduit		448,760	2.60%		11,668
358 Underground Conductors & Devices		1,161,549	1.26%		14,636
359 Asset Retirement Obligations - Transmission *		539,999			
Total Transmission Plant	\$	656,885,230		\$	11,814,715
Distribution Plant					
360.1 Land Rights	\$	2,039,033	0.65%	\$	13,254
360.2 Land		3,271,807	0.00%		-
360.2 Land (Plant Held for Future Use)		792,599	0.00%		126.262
361 Structures and Improvements		7,658,288	1.65%		126,362
362 Station Equipment		141,200,431	2.28% 2.30%		3,219,370
364 Poles Towers & Fíxtures		287,791,623	2.30%		6,619,207 7,459,724
365 Overhead Conductors and Devices		276,286,079 1,861,963	1.93%		35,936
366 Underground Conduit		1,801,903	2.09%		2,938,958
367 Underground Conductors & Devices 368 Line Transformers		286,070,399	3.10%		8,868,182
		89,050,186	1.99%		1,772,099
369 Services		70,049,355	1.76%		1,232,869
370 Meters 371 Installations on Customer Premises		18,253,214	2.38%		434,427
371 Installations on Customer Frentises 373 Street Lighting & Signal Systems		81,534,876	2.29%		1,867,149
374 Asset Retirement Obligations - Distribution *		787,035	2.25,0		2,001,272
Total Distribution Plant	\$	1,407,266,900		\$	34,587,536
General Plant					
389.2 Land	\$	2,567,847	0.00%	\$	_
390.1 Structures & Improvements	•	47,011,270	1.66%		780,387
390.2 Improvements to Leased Property		531,973	1.56%		8,299
391.1 Office Furniture & Equipment		7,513,788	4.19%		314,828
391.2 Non PC Computer Equipment		17,256,012	10.14%		1,749,760
391.31 Personal Computer Equipment		6,398,372	15.47%		989,828
392 Transportation Equipment		15,967,079	20.00%		3,193,416
393 Stores Equipment		551,794	5.25%		28,969
394 Tool, Shop & Garage Equipment		7,648,755	4.75%		363,316
395 Laboratory Equipment		-	27.42%		-
396 Power Operated Equipment		1,174,225	6.37%		74,798
397.00 Communication Equipment		30,872,565	7.13%		2,201,214
398 Misc Equipment Total General Plant		137,493,681	20.54%	\$	9,704,814
Total General Flant	W				2,701,021
TOTAL PLANT IN SERVICE	<u>\$</u>	6,443,004,900			
Total Annual Depreciation (excludes ARO amounts)				\$	195,249,739
.ess: Amounts not included in Income Statement Depreciation					· · · · · · · · · · · · · · · · · · ·
5645 Brown CT 9 Gas Pipeline					208,328
0473 Trimble County CT Pipeline					156,659
392 Transportation Equipment					3,193,416
Less: ECR Depreciation					48,214,341
Total Annualized Depreciation Expense excluding ECR and ARO				<u> </u>	143,476,996

^{*} Represents list of ARO assets. Please note these amounts are not included in the calculation.

Kentucky Utilities Company Environmental Surcharge Depreciation Period Ended December 31, 2011

Depreciation per ECR filings:	200	5-2009 Plans
January, 2011		3,579,198
February, 2011		3,901,476
March, 2011		3,901,476
April, 2011		3,901,712
May, 2011		3,920,940
June, 2011		3,920,254
July, 2011		3,939,299
August, 2011		3,939,299
September, 2011		3,939,299
October, 2011		3,939,299
November, 2011		3,939,299
December, 2011		4,017,862
Total Depreciation Per ECR Filings	\$	46,839,413
December 2011 Depreciation Amount	\$	4,017,862
12 months per year		12
Annualized ECR Depreciation at December 31, 2009	\$	48,214,341

Exhibit 1 Reference Schedule 1.10

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KENTUCKY UTILITIES

Adjustment to Reflect Increases in Labor and Labor-Related Costs

<u>As Applied to the Twelve Months Ended December 31, 2011</u>

1	Wages (Page 2)	\$ 2,824,655
2	Payroll Taxes (Page 3)	194,354
3	401(k) (Page 4)	108,467
4	Total	 3,127,476
5	Kentucky Jurisdiction (Ref. Sch. Allocators)	88.933%
6	Kentucky Jurisdictional Adjustment	\$ 2,781,358

KENTUCKY UTILITIES

Adjustment to Reflect Increases in Labor and Labor-Related Costs <u>As Applied to the Twelve Months Ended December 31, 2011</u>

1	Labor for 12 months ended December 31, 2011		Operating	Construction/Other	Total	
2	Base	\$	87,633,745	\$ 33,870,737	\$ 121,504,482	2
3	Overtime and Premium		11,375,938	4,367,380	15,743,318	8
4	TIA		7,314,936	2,639,604	9,954,540	0
5	Total Labor (Sum of Lines 2 - 4)	\$	106,324,619	\$ 40,877,721	\$ 147,202,340	0
6	Total labor Excluding TIA (Line 5 - Line 4)	\$	99,009,683	\$ 38,238,117	\$ 137,247,800	0
7	Total Operating and Construction/Other %		72.139%	27.861%	100.0009	%
8	Annualized base labor at December 31, 2011:					
9	Union - KU		100% o	f total	\$ 9,703,782	2
10	Exempt - KU		100% c	f total	12,189,654	4
11	Non-Exempt - KU		100% o	f total	11,623,440	0
12	Hourly - KU		100% o	f total	30,989,234	4
13	Exempt - Servco (allocated to KU)		52 573% o	f total	47,130,718	8
14	Non-Exempt - Servco (allocated to KU)		52 573% o	f total	8,032,720	0
15	Union - LGE (allocated to KU)		7.926% 0	f total	3,650,930	6
16	Exempt - LGE (allocated to KU)		7.926% o	f total	1,697,286	6
17	Non-Exempt - LGE (allocated to KU)		7.926% o	f total	180,553	3
18	Total Annualized Base Labor (Sum of Lines 9 - 17)				125,198,32	3
19	Overtime & Premiums - (increases allocated as noted):				15,743,311	8
20	Wage increase applied to KU union and hourly overtime annualized for 2011 (01/01/11 - 07/16/11 C	T Labor x :	3.0%)		190,14	7
21	Wage increase applied to KU non-exempt overtime annualized for 2011 (01/01/11 - 02/26/11 OT La	bor x 3.0%)		5,19	4
22	Wage increase applied to LG&E union overtime annualized for 2011 (01/01/11 -11/13/2011 OT laboration of the control of the con	or x 2.5%)			23,21	3
23	Wage increase applied to LG&E non-exempt overtime annualized for 2011 (01/01/2011 - 02/20/201	1 OT Labor	x 3.0%)		30	8
24	Wage increase applied to Servco non-exempt overtime annualized for 2011 (01/01/11 - 02/20/11 O	Γ Labor x 3.	0%)		3,55.	3
25	Total Annualized Labor (Sum of Lines 18 - 24)				\$ 141,164,05	5
26	Operating Labor based on annualized labor					
	\$ 141,164,055 x		72.139%		\$ 101,834,33	8
27	Less: Test Year Operating Labor for 12 months ending 12/31/2011				99,009,68	3
28	Labor Adjustment Total (Line 26 - Line 27)				\$ 2,824,65	5

KENTUCKY UTILITIES

Adjustments to Reflect Increases in Payroll Taxes <u>As Applied to the Twelve Months Ended December 31, 2011</u>

1	Operating Labor increase (Page 2 Line 28)	\$ 2,824,655
2	Percentage of wages that do not exceed Social Security (OASDI) limit	 87.591%
3	Operating Labor increase subject to Social Security tax (Line 1 x Line 2)	\$ 2,474,144
4	Medicare Tax (Line 1 x 1 45%)	\$ 40,957
5	Social Security Tax (Line 3 x 6 2%)	 153,397
6	Payroll Tax adjustment (Line 4 + Line 5)	\$ 194,354

Exhibit 1 Reference Schedule 1.10

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KENTUCKY UTILITIES

Adjustment to Reflect Increases in Company Contribution to 401(k) <u>As Applied to the Twelve Months Ended December 31, 2011</u>

5	401(k) Company Match operating increase (Line 3 x Line 4)	\$	108,467
4	Operating Labor increase (Page 2 Line 28)	 2,8	324,655
3	401(k) Company Match as a percent of payroll (Line 2 + Line 1)		3.840%
2	Total 401(k) Company Match for 12 months ended 12/31/11	 5,6	552,335
1	Direct total payroll for 12 months ended 12/31/11 (Page 2 Line 5)	\$ 147,2	202,340

KU, Servco, and LGE Labor Charged to KU

		Operating								Construction/Other Table								
	Per KU Summary			Per Servco Summary		Per LGE Summary		Total Operating		Per KU Summary		Per Servco Summary		Per KU to Others Summary		Per LGE Summary		Total construction/ Other
Base Overtime TIA	\$	40,722,135 9,694,868 2,778,608	\$	42,371,269 629,601 4,212,986	\$	4,540,341 1,051,469 323,342	\$	87,633,745 11,375,938 7,314,936	\$	20,828,700 3,632,870 1,366,998	\$	11,618,917 63,247 1,166,202	·	640,322 496,243 45,149	\$	782,798 175,020 61.255	\$	33,870,737 4,367,380 2,639,604
Total Labor	\$	53,195,611	\$	47,213,856	\$	5,915,152	\$	106,324,619	\$	25,828,568	\$	12,848,366			\$	1,019,073	\$	40,877,721
Union OT & Premiums		2,057,532				1,049,819		3,107,351		945,023				27,625		175,020		1,147,668

Kentucky Utilities

Report for Company: 110

As of Date:	12/31/2011	Cummulative Annual Pay	Average Annual Pay
Union Wage Total Employees	145	9,703,782.40 A	66,922.64
Exempt Total Employees	136	11,701,914.00	86,043.49
Hourly Total Employees	446	30,989,233.60	69,482.59
Nonexempt Total Employees	210	11,623,440.20 C	55,349.72
Senior Manageme	nt 3	487,740.00 B	162,580.00

20 = 12,189,694 = "otal Exempt

LG&E and KU Services Company

Report for Company: 020

As of Date:	12/31/2011	Cummulative Annual Pay	Average Annual Pay
Exempt Total Employees	852	76,657,932.20	89,974.10
Nonexempt Total Employees	372	15,279,173.00 B	41,073.05
Senior Managemen	ot 61	12,990,210.00(A)	212,954.26

(A= 89,648,142do x 30,67010 x 30,67010

Louisville Gas & Electric Co.

Report for Comp	any: 100		
As of Date:	12/31/2011	Cumulative Annual Pay	Average Annual Pay
Union Wage			
Total Employees	686	46,062,785.60 🎠	67,146.92
Exempt Total Employees	230	20,719,760.00 B	90,085.91
Nonexempt Total Employees	46	2,277,990.00	49,521.52
Scotor Managemen	ť		
Total Employees	4	694,390.00 B	173,597.50

A 46062785.60 × 7.95010 3,652778,90

B 21414150 x7,43010

C 2779 990 x 7,9390 = 18064416

2

<u>Labor Charged by Exp Org Company to Company (Exp Types 0101-0174)</u>
2011

	Values					
Row Labels	Sum of 1st	Sum of 2nd	Sum of 3rd	Sum of 4th	Sum of Total	Pct of Total
P00020: TOTAL LG&E AND KU SERVICES COMPANY	22,884,184	22,131,751	22,940,427	21,478,865	89,435,226	100.000%
4	547,399	444,312	390,717	355,521	1,737,949	1.943%
20	159	33,405	40,281	43,145	116,990	0.131%
100 (LG&E)	10,273,278	9,961,243	10,440,357	9,759,505	40,434,382	45.211%
110 (KU)	12,032,265	11,661,102	12,038,547	11,287,292	47,019,205	52.573%
301	29,856	31,900	28,975	33,403	124,135	0.139%
304	· <u>-</u>	-	1,550	-	1,550	0.002%
507	-	891	-	-	891	0.001%
508	1,228	(1,103)	-	-	125	0.000%
P01000: TOTAL LGE UTILITY	18,289,650	18,511,637	18,145,783	17,279,313	72,226,382	100.000%
4	391	536	310	107	1,344	0.002%
100 (LG&E)	16,875,423	16,947,441	16,722,548	15,954,927	66,500,340	92.072%
110 (KU)	1,413,835	1,563,660	1,422,925	1,324,278	5,724,698	7.926%
P10040: TOTAL KU COMPANY	16,897,764	17,275,402	17,364,610	15,134,154	66,671,929	100.000%
4	3,191	3,246	3,395	2,597	12,429	0.019%
20		· -	• •	160	160	0.000%
100 (LG&E)	180,149	312,695	393,658	129,509	1,016,011	1.524%
110 (KU)	16,714,424		16,967,557	15,001,888	65,643,330	98.457%
Grand Total	58,071,597		58,450,820			

Kentucky Utilities Company 401k Company Match 12/31/11

	Exp T	!			
,	0708	0729		_	
\$	944,205	\$	115,036		
	1,936,442		223,439		
	439,719		80,076		
	1,556,503		266,294		
	32,719		4,156		
	22,455		3,522		
\$	24,902	\$	2,867		
\$	4,956,945	\$	695,390	\$	5,652,335
	\$	\$ 944,205 1,936,442 439,719 1,556,503 32,719 22,455 \$ 24,902	\$ 944,205 \$ 1,936,442	\$ 944,205 \$ 115,036 1,936,442 223,439 439,719 80,076 1,556,503 266,294 32,719 4,156 22,455 3,522 \$ 24,902 \$ 2,867	944,205 115,036 1,936,442 223,439 439,719 80,076 1,556,503 266,294 32,719 4,156 22,455 3,522 \$ 24,902 2,867

Calculation for Percentage of Wages That Do Not Exceed the Social Security Limit

		SS Wages	_	Medicare Wages		
Servco		94,723,156.02	3	122,101,354.61	4	77.6%
Allocated to LGE	45.2%	42,824,338.84		55,202,022.42		
Allocated to KU	52.6%	49,795,963.12		64,188,682.12		
KU		76,803,680.11	1	80,885,552.88	2	95.0%
Servco Allocated to KU	52.6%	49,795,963.12		64,188,682.12		77.6%
LGE Allocated to KU	7.93%	6,090,531.83		6,414,224.34		95.0%
		132,690,175.06	-	151,488,459.34	•	87.591%
LG&E		81,472,455.57	5	86,118,340.35	6	94.6%
Servco Allocated to LGE		42,824,338.84		55,202,022.42		77.6%
KU Allocated to LGE	1.52%	1,241,640.22		1,312,443.51		94.6%

KENTUCKY UTILITIES

To Adjust for Pension, Post Retirement, and Post Employment For the Twelve Months Ended December 31, 2011

	Pension	Post Retirement	Post Employment	Total	
1 Pension, Post Retirement and Post Employment expenses in test year	\$ 19,448,725	\$ 4,672,628	\$ 1,012,638	\$ 25,133,991	
2 Pension, Post Retirement, and Post Employment expenses annualized for 2012 Mercer Study	14,605,093	4,199,880	275,782	19,080,755	
3. Total adjustment (Line 2 - Line 1)	\$ (4,843,632)	\$ (472,748)	\$ (736,856)	\$ (6,053,236)	
4. Kentucky Jurisdiction (Ref. Sch. Allocators)				88 933%	
5. Kentucky Jurisdictional adjustment				\$ (5,383,324)	

Kentucky Utilities Company Pension Proforma Calculation

			KU	Servco
1. 2. 3.	Company O&M Pension expense (excluding Servco) Total Company Pension costs (excluding Servco) % O&M to total	(Line 1/Line 2)	\$ 10,158,866 17,148,804 59.2%	
4. 5. 6.	Servco O&M Pension expense charged to KU Total Servco Pension costs charged to KU % O&M to total	(Line 4/Line 5)		\$ 9,289,859 11,808,501 78.7%
7.	Projected 2012 Cost per Mercer Study (for KU includes KU Union and Non-Union Plans)		\$ 12,794,781	\$ 16,599,016
8.	Servco % allocated to KU based on labor split			53.8%
	Expected O&M expenses Servco O&M charged to KU Total O&M costs for 2012 Mercer target	(Line 3, Line 8 x Line 7) (Line 6 x Line 9 Servco) (Line 9 + Line 10)	\$ 7,579,564 7,025,528 \$ 14,605,093	\$ 8,930,271
13.	KU 12 months ended December 2011 O&M Servco allocation for 12 months ended December 2011 O&M Test Year O&M for 12 months ended December 2011	(Line 1) (Line 4) (Line 12 + Line 13)	\$ 10,158,866 9,289,859 \$ 19,448,725	
15.	Expenses over (under) test year	(Line 11 - Line 14)	\$ (4,843,632)	:

Kentucky Utilities Company Post-retirement Proforma Calculation

				KU	 Servco
1. 2. 3.	Company O&M Post-retirement expense (excluding Servco) Total Company Post-retirement costs (excluding Servco) % O&M to total	(Line 1/Line 2)	\$	3,889,185 5,794,076 67.1%	
4. 5. 6.	Servco O&M Post-retirement expense charged to KU Total Servco Post-retirement costs charged to KU % O&M to total	(Line 4/Line 5)			\$ 783,443 995,267 78.7%
7.	Projected 2012 Cost per Mercer Study		\$	5,001,551	\$ 1,989,779
8.	Servco % allocated to KU based on labor split				53.8%
	Expected O&M expenses Servco O&M charged to KU Total O&M costs for 2012 Mercer target	(Line 3, Line 8 x Line 7) (Line 6 x Line 9 Servco) (Line 9 + Line 10)	-	3,357,215 842,665 4,199,880	\$ 1,070,501
13.	KU 12 months ended December 2011 O&M Servco allocation for 12 months ended December 2011 O&M Test Year O&M for 12 months ended December 2011	(Line 1) (Line 4) (Line 12 + Line 13)		3,889,185 783,443 4,672,628	
15	. Expenses over (under) test year	(Line 11 - Line 14)	\$	(472,748)	

Kentucky Utilities Company Post-employment Proforma Calculation

			KU		Servco	
1. 2. 3.	Company O&M Post-employment expense (excluding Servco) Total Company Post-employment costs (excluding Servco) % O&M to total	(Line 1/Line 2)	\$	800,474 1,157,812 69.1%		
4. 5.	Servco O&M Post-employment expense charged to KU Total Servco Post-employment costs charged to KU				\$	212,164 269,004
6.	% O&M to total	(Line 4/Line 5)				78.9%
7.	Projected 2012 Cost per Mercer Study		\$	113,187	\$	465,516
8.	Servco % allocated to KU based on labor split					53.8%
9. 10.	Expected O&M expenses Servco O&M charged to KU	(Line 3, Line 8 x Line 7) (Line 6 x Line 9 Servco)	\$	78,254 197,529	\$	250,448
	Total O&M costs for 2012 Mercer target	(Line 9 + Line 10)	\$	275,782		
	KU 12 months ended December 2011 O&M	(Line 1)	\$	800,474		
	Servco allocation for 12 months ended December 2011 O&M Test Year O&M for 12 months ended December 2011	(Line 4) (Line 12 + Line 13)		212,164 1,012,638		
	Expenses over (under) test year	(Line 11 - Line 14)	\$	(736,856)		

Servco to KU

Category	Account	Account Description	From Comp	Acct Type Benefit To Comp Exp Type	O&M FASB 106 0721	O&M FASB 106 0731	O&M FASB 112 0724	O&M Pensions 0728	O&M Pensions 0730	BS/BTL FASB 106 0721	BS/BTL FASB 106 0731	BS/BTL FASB 112 0724	BS/BTL Pensions 0728	BS/BTL Pensions 0730
0.0	407004	CONSTR WORK IN PROG	0020	0110	0.00	0 00	0.00	0.00	0.00	105,772.62	111.99	28,125.79	1,246,209.96	14,162.93
C. Servco to KU	107001	RETIREMENT - RWIP	0020	0110	0.00	0.00	0.00	0.00	0.00	2,826.54	3.89	764.03	33,088.82	458.62
C. Servco to KU	108901	ACCTS REC - BEYOND THE METER	0020	0110	0.00	0.00	0.00	0.00	0.00	25.29	0.44	7.12	227.81	51.79
C. Servco to KU	143022	A/R MUTUAL AID	0020	0110	0.00	0.00	0.00	0.00	0.00	100.87	0.00	29.98	1,212.22	0.00
C. Servco to KU	143024		0020	0110	0.00	0.00	0.00	0.00	0.00	706.70	1.61	193.68	7,991.35	190.72
C. Servco to KU	163002	WAREHOUSE EXPENSES	0020	0110	0.00	0.00	0.00	0,00	0.00	4,602.28	3.20	1,232.79	54,873.13	375.42
C. Servco to KU		OTHER	0020	0110	0.00	0.00	0.00	0.00	0.00	125.26	0.00	34.92	1,542.17	0.00
C. Servco to KU	183301	PRELIM SURV/INV-ELEC	0020	0110	0.00	0.00	0.00	0.00	0.00	1,708,19	3.36	455.11	19,713.82	394.75
C. Servco to KU	184307	ADMIN/OTH EXP-TRANSP	0020	0110	0.00	0.00	0.00	0.00	0.00	3,992,20	4.91	1,099.64	46,326.81	577.96
C. Servco to KU	184600	ENGINEERING OVERHEADS - GEN	0020	0110	0.00	0.00	0.00	0.00	0.00	5,121.91	6.78	1,394.50	60,050.52	797.92
C. Servco to KU	184602	ENGINEERING OVERHEADS - DIST		0110	0.00	0.00	0.00	0.00	0.00	52,568,60	59.23	14,275.53	617,970.08	7,626.38
C. Servco to KU	184605	ENGINEERING OVERHEADS - TRAI	0020 0020	0110	0.00	0.00	0.00	0.00	0.00	24,580.79	32.24	6,657.58	288,626.84	3,892.71
C. Servco to KU	184612	ENGINEERING OVERHEADS - DIST	0020	0110	0.00	0.00	0.00	0.00	0.00	71.72	0.40	21.23	808.64	45.81
C. Servco to KU	426401	EXP-CIVIC/POL/REL	0020	0110	0.00	0.00	0.00	0.00	0.00	9,055,91	12.64	2,457.27	106,059.27	1,491.03
C. Servco to KU	426491	EXP-CIVIC/POL/REL - INDIRECT OTHER DEDUCTIONS	0020	0110	0.00	0.00	0.00	0.00	0.00	71.08	0 09	20.08	852.42	10.13
C. Servco to KU	426501	OTHER DEDUCTIONS OTHER DEDUCTIONS - INDIRECT	0020	0110	0.00	0.00	0.00	0.00	0.00	252.80	0.25	69.97	2,982.97	29.24
C. Servco to KU	426591 908005	DSM CONSERVATION PROG	0020	0110	12,432,10	18.53	3,351,18	145,507.58	2,180.68	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926101	PENSIONS EXPENSE - BURDENS	0020	0110	0.00	0.00	0.00	3,562,503.73	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926101	FASB 112 (OPEB) POST EMPLOYM	0020	0110	0.00	0 00	75,158,88	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926105	FASB 106 (OPEB) POST RETIREME	0020	0110	280,751.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926117	CLOSED 04/11 - PENSION INTERES	0020	0110	0.00	0.00	0.00	0.00	102,467.73	0.00	0.00	0.00	0.00	0.00
C. Servco to KU C. Servco to KU	926118	CLOSED 04/11 - FASB 106 INTERES	0020	0110	0.00	(21,670.96)	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00
C. Servoo to KU	926911	PENSIONS EXPENSE - BURDENS II	0020	0110	0.00	0.00	0.00	5,451,076.97	0.00	0.00	0.00	0.00	0.00	0.00
C. Servoo to KU	926915	FASB 112 (OPEB) POST EMPLOYM	0020	0110	0.00	0.00	133,654.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926916	FASB 106 (OPEB) POST RETIREME	0020	0110	489,085.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926917	PENSION INTEREST EXPENSE - BL	0020	0110	0.00	0.00	0.00	0.00	26,122.20	0.00	0.00	0.00	0.00	0.00
C. Servoo to KU	926918	FASB 106 INTEREST (OPEB) POST	0020	0110	0.00	22,826.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Totals			•	782,268.77	1,173.97	212,164.40	9,159,088.28	130,770.61	211,582.76	241.03	56,839.22	2,488,536.83	30,105.41
					Pension 9,289,858.89 2,518,642.24 11,808,501.13	B/S	78.67094% 21.32906%	-	FAS 106 783,442.74 211,823.79 995,266.53	3/S	78.71688% 21.28312%			

FAS 112

212,164,40 O&M 56,839.22 B/S 269,003.62 Total 2011

78.87046% 21.12954%

Category	Account	Account Description	From Comp	To Comp	Acct Type Benefit Exp Type	O&M FASB 106 0721	O&M FASB 106 0731	O&M FASB 112 0724	O&M Pensions 0728	O&M Pensions 0730	BS/BTL FASB 106 0721	BS/BTL FASB 106 0731	BS/BTL FASB 112 0724	BS/BTL Pensions 0728	BS/BTL Pensions 0730
			0440	0110		0.00	0.00	0.00	0.00	0.00	1,276,960.92	47,574.13	314,410.04	3,919,590.51	21,370.44
A. KU to KU	107001	CONSTR WORK IN PROG	0110 0110	0110		0.00	0.00	0.00	0.00	0.00	89,342.03	2,538.92	5,637.71	271,587.73	1,140.44
A. KU to KU	108901	RETIREMENT - RWIP		0110		0.00	0.00	0.00	0.00	0.00	55,977.84	1,618.21	(1,012.27)	172,577.98	(286.99)
A. KU to KU	143003	ACCTS REC - IMEA	0110 0110	0110		0.00	0.00	0.00	0.00	0.00	59,487.98	1,719.68	(1,075.73)	183,399.72	(304.98)
A. KU to KU	143004	ACCTS REC - IMPA		0110		0.00	0.00	0,00	0.00	0.00	3,911.96	47.50	155.23	10,885.61	21.51
A, KU to KU	143022	ACCTS REC - BEYOND THE METER	0110	0110		0.00	0.00	0.00	0.00	0.00	76 86	0.00	4.77	233.01	0.00
A. KU to KU	143024	A/R MUTUAL AID	0110	0110		0.00	0.00	0.00	0.00	0.00	136,494.86	6,141.82	8,653.85	418,412.08	2,758.91
A. KU to KU	163002	WAREHOUSE EXPENSES	0110 0110	0110		0.00	0.00	0.00	0.00	0.00	514.79	21.11	32.29	1,579.35	9.49
A. KU to KU	163100	OTHER	0110	0110		0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	1,084,915.92	0.00
A KU to KU	182311	FERC JURISDICTIONAL PENSION E	0110	0110		0.00	0.00	0.00	0.00	0.00	26,073.74	33 44	7,128.56	316,093.50	3,260.00
A. KU to KU	184076	ADMINISTRATIVE AND GENERAL - ENGINEERING OVERHEADS - TRA	0110	0110		0.00	0.00	0.00	0.00	0.00	1,879.16	0.00	134.34	5,932.40	0.00
A. KU to KU	184605	ENGINEERING OVERHEADS - TRA	0110	0110		0.00	0.00	0.00	0.00	0.00	182,364.41	7,462.47	11,467.71	559,932.95	3,352.19
A KU to KU	184612	MISC STM PWR EXP	0110	0110		(0.16)	0.00	(0.02)	(0.51)	0.00	0.00	0 00	0.00	0.00	0.00
A. KU to KU	506100 514100	MTCE-MISC/STM PLANT	0110	0110		(0.04)	0.00	(0.01)	(0 09)	0.00	0,00	0.00	0.00	0.00	0.00
A. KU to KU	922003	TRIMBLE CTY TRAN-CR	0110	0110		(0.14)	0.00	94.56	(0.43)	0.00	0.00	0.00	0.00	0.00	0.00
A. KU to KU	926101	PENSIONS EXPENSE - BURDENS	0110	0110		0.00	0.00	0,00	10,129,251.58	0.00	0.00	0.00	0.00	0.00 0.00	0.00
A. KU to KU A. KU to KU	926105	FASB 112 (OPEB) POST EMPLOYM	0110	0110		0.00	0.00	771,864.32	0.00	0.00	0.00	0 00	0.00	0.00	0.00
A. KU to KU	926106	FASB 106 (OPEB) POST RETIREME	0110	0110		3,825,867.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00 0.00	00.0	0.00
A. KU to KU	926117	CLOSED 04/11 - PENSION INTERES	0110	0110		0.00	0.00	0.00	0.00	(101,956.56)	0.00	0.00	0.00	0.00	0.00
A. KU to KU	926118	CLOSED 04/11 - FASB 106 INTERE:	0110	0110	•	0.00	18,748.56	0.00	0.00	0.00	0.00	0.00	0.00	4.71	0.00
B. KU to Others	107001	CONSTR WORK IN PROG	0110	0004		0.00	0.00	0.00	0.00	0.00	1.85	0.00		13,302,91	97.48
B. KU to Others	107001	CONSTR WORK IN PROG	0110	0100		0.00	0.00	0.00	0.00	0.00	4,402.01	216.94	246.40 0.72	71.23	0.00
B. KU to Others	108901	RETIREMENT - RWIP	0110	0100		0.00	0.00	0.00	0.00	0.00	27.93	0.00	0.72	0.00	0.00
B. KU to Others	926101	PENSIONS EXPENSE - BURDENS	0110	0004		0.00	0 00	0.00	3,213.85	0.00	0.00	0.00	0.00	0.00	0.00
B. KU to Others	926101	PENSIONS EXPENSE - BURDENS	0110	0100		0.00	0.00	0.00	127,519.29	0.00	0.00	0.00	0.00	0.00	0.00
B. KU to Others	926105	FASB 112 (OPEB) POST EMPLOYM	0110	0004		0.00	0.00	63.55	0.00	0.00	0.00	0.00 0.00	0.00	0.00	0.00
B. KU to Others	926105	FASB 112 (OPEB) POST EMPLOYM	0110	0100		0.00	0.00	2,569.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. KU to Others	926106	FASB 106 (OPEB) POST RETIREME	0110	0004		1,045.54	0.00	0.00	0.00	0.00	0.00 0.00	0.00	0.00	0.00	0.00
B. KU to Others	926106	FASB 106 (OPEB) POST RETIREME	0110	0100		41,657.50	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
B. KU to Others	926117	CLOSED 04/11 - PENSION INTERES	0110	0004		0.00	0.00	0.00	0.00	19.41	0.00	0.00	0.00	0.00	0.00
B. KU to Others	926117	CLOSED 04/11 - PENSION INTERES	0110	0100		0.00	0.00	0.00	0.00	819.09	0.00		0.00	0.00	0.00
B. KU to Others	926118	CLOSED 04/11 - FASB 106 INTERES	0110	0004		0.00	43.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. KU to Others	926118	CLOSED 04/11 - FASB 106 INTERE	0110	0100		0.00	1,823.27	0.00	0 00	0.00	0.00	0.00	0,00	0.00	
	Totals					3,868,570.38	20,615.01	774,592.36	10,259,983.69	(101,118.06)	1,837,516.34	67,374.22	345,783.66	6,958,519.61	31,418.49
						Doneion				FAS 106					

Pension		FAS 106					
10.158.865.63 O&M	59.23950%	3,889,185.39	O&M	67.12348%			
6,989,938.10 B/S	40,76050%	1,904,890.56	B/S	32.87652%			
17,148,803.73 Total	2011	5,794,075.95	Total 2011				
17,148,803.73 Total	above	5,794,075.95					
17,148,804.00 Per f	Mercer Disclosures	5,794,076.00 Per Mercer Disclosures					
FAS 112		Alloc. Subsidy	Net of Subsidy				
	69.13682%	25.882.06	800,474,42	69,13682%			
774,592.36 O&N 345,783.66 B/S	30.86318%	11.553.94	357,337.60	30.86318%			
373,703.00 073	23.0001010		4 457 043 03				

2012 Net Periodic Pension Cost for Qualified Plans

Regulatory Accounting Purposes

			Non	Union Retiremen	t Plan		
	LG&E Union	LG&E	ServCo	<u>KU</u>	WKE	<u>Total</u>	WKE-Union
1. Service cost	\$ 1,843,972	\$ 1,895,083	\$ 11,013,002	\$ 7,075,655			
2. Interest cost	14,461,112	10,339,722	16,861,449	18,053,285			
Expected return on assets	(18,818,406)	(11,648,470)	(17,328,582)	(20,559,409)			
4. Amortizations:							
 a. Transition 	0	0	0	0			
 b. Prior service cost 	2,485,200	2,011,714	2,505,928	691,710			
c. Gain/loss	10,667,520	3,819,343	3,547,219	7,533,540			
5. Net periodic pension cost	\$ 10,639,398	\$ 6,417,392	\$ 16,599,016	\$ 12,794,781			

Financial Accounting Purposes

	_		Non	Union Retiremer	it Plan		_
	LG&E Union	LG&E	ServCo	KU	WKE	Total	WKE-Union
Service cost Interest cost Expected return on assets Amortizations:	\$ 1,843,972 14,461,112 (18,818,406)	\$ 1,895,083 10,339,722 (11,648,470)	\$ 11,013,002 16,861,449 (17,328,582)	\$ 7,075,655 18,053,285 (20,559,409)			
a. Transitionb. Prior service costc. Gain/loss	778,382 0	0 0 0	0 0 0	0 0			
5. Net periodic pension cost	\$ (1,734,940)	\$ 586,335	\$ 10,545,869	\$ 4,569,531			

LG&E and KU Energy LLC 2012 Net Periodic Benefit Cost For Postretirement Benefit Plans

December 31, 2011 Measurement Date Financial Accounting (Includes Purchase Accounting)

,			Non-U						
	LG&E	KU	ServCo	WKE	International	Total	LG&E Union	WKE Union	Grand Total
Service cost	\$491,450	\$1,406,855	\$1,577,596				\$470,007	WINE DINON	Grand Total
Interest cost	1,545,476	3,521,798	1,398,839				2,342,959		
Expected return on assets	(466,683)	(1,793,088)	(1,781,569)				2,042,000		
Amortizations:									
Transition	0	اه	۱٥						
Prior service cost	283,863	586,092	512,905				275 704		
Gain/loss	(9,653)	(796,052)	(8,490)				375,701	4	
Net periodic benefit cost	\$1,844,453	\$2,925,605	\$1,699,281				(346,738) \$2,841,929		

Regulatory Accounting (Excludes Purchase Accounting)

	,		Non-l	Jnion					
	LG&E	KU	ServCo	WKE	International	Total	LG&E Union	WKE Union	Grand Tota
Service cost	\$491,450	\$1,406,855	\$1,577,596				\$470,007	WILL OHION	Granu Tota
Interest cost	1,545,476	3,521,798	1,398,839				2,342,959		
Expected return on assets	(466,683)	(1,793,088)	(1,781,569)				2,042,339		
Amortizations:									
Transition	252,457	1,120,928	109,514				417,201		
Prior service cost	568,983	912,738	685,399				1,220,885		
Gain/loss	0	(167,680)	0				(818,162)		
Net periodic benefit cost	\$2,391,683	\$5,001,551	\$1,989,779				\$3,632,890		
Accumulated Postretirement Benefit Obligation (APBO)									
as of December 31, 2011	33,701,479	76,240,751	29,641,760				50,568,553		

LG&E & KU Energy. LLC
Estimated Year End FAS 112 Liability For Post-Employment Benefits For Disabled Employees

Liability Date	LG&E	KU	ServCo	International	WKE	Total
12/31/2011	4,311,798	5,422,837	2,186,069			
12/31/2012	4,991,769	5,536,024	2,651,585			
12/31/2013	5,658,500	5,626,845	3,107,206			
12/31/2014	6,262,101	5,733,038	3,557,025	-		
12/31/2015	6,827,619	5,820,825	3,955,462			

Notes

- 1. Plan costs have been based on census data as of November 2010.
- 2. Future employees were projected to become disabled based on the assumptions used in the determination of the 2011 FAS 106 expense.
- 3. All other data, methods, plan provisions and assumptions (including 4.55% discount rate) are the same as those used in the determination of the December 31, 2010 FAS 112 liability, including a reduction in liability for Medicare-eligible disableds associated with the Medicare Modernization Act of 2003.

Adjustment to Reflect Normalized Storm Damage Expense For the Twelve Months Ended December 31, 2011

1.	Storm damage provision based	
	upon ten year average	\$ 3,765,868
2.	Storm damage expenses incurred during	
	the 12 months ended December 31, 2011	3,998,403
3.	Adjustment	(232,535)
4.	Kentucky Jurisdiction	 94.089%
5.	Kentucky Jurisdictional adjustment	\$ (218,790)

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Year	Expense (a)	Consumers	Amount
2011	\$ 3,998,403	1.0000	\$ 3,998,403
2010	2,626,597	1.0316	2,709,597
2009	5,225,248 (a)	1.0485	5,478,673
2008	6,951,799 (a)	1.0448	7,263,240
2007	2,035,291	1.0849	2,208,087
2006	4,113,534	1.1158	4,589,881
2005	2,539,379	1.1518	2,924,857
2004	4,120,482	1.1908	4,906,670
2003	1,434,000	1.2225	1,753,065
2002	1,460,495	1.2504	 1,826,203
Total			\$ 37,658,676
Ten Year Average			\$ 3,765,868

(a) 2008 and 2009 expenses do not include 2008 Wind Storm and 2009 Winter Storm expenses that were recorded as regulatory assets.

Total Company Storm costs -- Opex
Company Org Acct Type
KUTL 013085... CORE-TOTAL OPERATING EXPENSES

	2004	2005	2006	2007	2008	2009	2010	2011
Project					2000	2000	2010	2077
111424 Norton-Storm Restoration	31,124.11	49,967.47	86,099.49	112,093.95	79,342.96	58.99	0.00	0.00
111425 Pineville-Storm Restoration	89,818.45	117,014.89	152,959.39	86,198.65	250,794.70	1,578.98	0.00	0.00
111426 London-Storm Restoration	37,444.21	8,609.70	15,395.37	15,290.11	55,333,96	22.39	0.00	0.00
111427 Earlington-Storm Restoration	99,458.85	85,582.38	293,998.40	212,295.62	178,144,73	2.011.46	0.00	0.00
111429 Danville-Storm Restoration	21,583.12	6,796.77	35,996.12	58,075.53	55,341.46	-296.25	0.00	0.00
111430 Etown-Storm Restoration	20,373.98	12,693.56	4,025.30	32,605.83	6,761.15	0.90	0.00	0.00
111431 Shelbyville-Storm Restoration	22,094.70	3,339.68	19,742,71	52,453.56	94,926,65	17.79	0.00	0.00
111432 Maysville-Storm Restoration	81,198.77	46,275.50	42,976.95	78,044.63	108,672,81	0	0.00	0.00
111433 Lexington-Storm Restoration	114,783.09	105,555.88	189,755.56	270,006.26	289,785,61	5,479.13	0.00	0.00
111434 Richmond-Storm Restoration	33,829.76	14,376.31	21,889.60	28,424.80	26,330,13	0.00	0.00	0.00
113493 Storm Damage III	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
115715 KU ICE STORM 2/15/03	-466,245.76	0.00	756.07	0.00	0.00	0.00	0.00	0.00
116467 KU STORMS 7/23/03	0.00	0.00	203.61	0.00	0.00	0.00	0.00	0.00
116828 KU STORMS 8/22/03	0.00	0.00	894.09	0.00	0.00	0.00	0.00	0.00
116840 EARLINGTON STORM 8/27/03	102.45	0.00	447.01	0.00	0.00	0.00	0.00	0.00
117216 KU STORMS - 1/25/04	93,394.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00
117548 KU Storm 5/19/04	91,932.10	6,172.20	0.00	0.00				
117628 KU/ODP STORMS 5/26-27/04	1,135,000.27	0.00	0.00	0.00	0.00	0,00	0.00	0.00
	768,826.01	0.00	0.00		0.00	0.00	0.00	0.00
117639 KU/ODP Storms 5/30/04	53,048.68	0.00	0.00	0,00	0.00	0.00	0,00	0.00
117695 KU Storms 6/12/04	244,525.51			0.00	0.00	0.00	0.00	0.00
118161 Storm 7/5/04		0,00	0,00	0,00	0.00	0.00	0.00	0.00
118233 KU STORMS 7/13/04	809,126.62	-932.33	0.00	0.00	0.00	0.00	0.00	0.00
118265 KU STORMS 7/22/04	141,080.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00
118408 KU - Storm 8/28 & 29/04	42,055.48	16.35	0.00	0.00	0.00	0.00	0.00	0.00
118409 KU - STORMS 9/17/04	112,339,99	0.00	0.00	0.00	0.00	0.00	0.00	0.00
119254 KU - Florida Storm 9/04	-3,388.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00
119287 KU - Alabama Storm	691.01	0.00 °	0.00	0.00	0.00	0.00	0.00	0,00
119288 Florida Power & Light Storm	2,627.62	3,750.00	0.00	0.00	0.00	0.00	0.00	0.00
119521 Florida Power & Light Storm II	1,708.05	0.00	0.00	0.00	0,00	0,00	0.00	0.00
119786 KU Storms 11/24/04	39,206.59	377.66	7,002.26	0.00	0,00	0,00	0.00	0.00
119827 KU Storms 12/07/04	109,998.55	6,432.27	0.00	0.00	0.00	0,00	0.00	0,00
119866 KU ICE STORM 12-23-04	392,744.01	484,679.88	0,00	0,00	0.00	0.00	0.00	0,00
119933 KU Storms 1/13/05	0.00	55,497.84	0,00	0.00	0.00	0,00	0.00	0.00
120163 KU Storms 4/22/2005	0.00	77,783.94	0.00	0.00	0.00	0,00	0.00	0.00
120164 KU Storms 5/19 &20/2005	0.00	116,999.80	0,00	0,00	0.00	0.00	0.00	0.00
120188 KU Storms 6/14/2005	0.00	111,032.81	0,00	0.00	0,00	0.00	0.00	0.00
120250 PSRT TRAINING	0,00	35,026.89	46,710,74	0,00	0.00	0.00	0.00	0.00
120738 KU Storms - August 5, 2005	0,00	49,927.11	7.60	0.00	0.00	0.00	0.00	0.00
120739 KU Storms - August 20, 2005	0.00	9,370.11	17.39	0.00	0.00	0.00	0.00	0.00
120954 Storm Trailer Stocking KU	0.00	1,710.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	105,893.90	-903,37	0.00		0.00	0.00	
121126 KU Storms - August 30, 2005	0.00	88,000.00	3,748.43		0.00			0.00
121205 STORM BONUS	0.00			0.00	0.00	0.00	0.00	0.00
121323 KU Storms - November 6, 2005		138,542.67	4,572.39	0,00	0.00	0.00	0.00	0.00
121329 KU Storms - November 15, 2005	0.00	737,377.02	952,842.99	137,86	0,00	0.00	0.00	0.00
121361 KU Storms - November 28, 2005	0.00	61,508.94	5,189.79	0.00	0.00	0.00	0.00	0.00
121511 KU Storms - March 9, 2006	0.00	0.00	272,532.54	0.00	0.00	0.00	0.00	0.00
121512 KU Storms - April 2, 2006	0.00	0.00	331,412,41	2,501.92	0.00	0.00	0.00	0.00
121513 KU Storms - May 25, 2006	0.00	0.00	140,066.46	0.00	0.00	00,0	0.00	0.00
121674 KU Storms - May 31, 2006	0,00	0.00	130,959.66	0.00	0.00	0.00	0.00	0.00
121675 KU Storms - June 10 & 11, 2006	0.00	0.00	103,627.88	0.00	0.00	0.00	0.00	0.00
121687 KU Storms - June 23, 2006	0.00	0.00	205,083.85	16.80	0.00	0.00	0.00	0.00
121706 KU Storms - July 21, 2006	0.00	0.00	231,686.75	-4,501.19	0.00	0.00	0.00	0.00

Total Company Storm costs -- Opex Company Org Acct Type

	2004	2005	2006	2007	2008	2009	2010	2011
Project		2000		200.	2000	2000	2010	2011
122185 KU Storms-August 3, 2006	0.00	0.00	19,306.15	396.90	0.00	0.00	0.00	0,00
122186 KU Storms - August 10, 2006	0.00	0.00	294,101.43	-1,004.76	0.00	0.00	0.00	0.00
122204 KU Storms - Sept. 22, 2006	0,00	0.00	217,553.68	204.55	0.00	0.00	0.00	0.00
122205 KU Storms - Dec. 1, 2006	0.00	0.00	282,798.23	2,614.71	0.00	0.00	0.00	0.00
122635 KU Storms - April 3, 2007	0,00	0.00	76.62	496,260.62	0,22	0.00	0.00	0.00
122786 KU Storms - July 4 & 5, 2007	0.00	0.00	0.00	112,252.36	0,00	0.00	0.00	0.00
123126 KU STORMS July 17, 2007	0.00	0.00	0.00	62,634,85	0,00	0.00	0.00	0.00
123127 KU storms July 19, 2007	0.00	0.00	0.00	101,978.49	0.00	0.00	0,00	0.00
123174 KU Storms - August 16, 2007	0.00	0.00	0.00	193,317.40	24.46	0.00	0.00	0.00
123175 KU Storms - Oct 18 & 19, 2007	0.00	0.00	0,00	119,964.67	2,775.06	0,00	0.00	0.00
123324 KU Storms - January 29, 2008	0.00	0.00	0.00	3,026.85	390,762.73	-245.86	0.00	0.00
123757 KU Storm - Feb 5 & 6, 2008	0,00	0.00	0.00	0.00	1,946,556.88	0.00	0.00	0.00
•	0.00	0.00	0.00	0.00	1,458,430.47	-10.42	0.00	0.00
123772 KU Storms - Feb 11, 2008	0.00	0.00	0.00	0.00				
123773 KU Storms Feb. 21-22, 2008					151,983.54	1,081.39	0.00	0.00
123813 KU/ODP Storm - March 4, 2008	0.00	0.00	0.00	0.00	139,623.36	0.00	0.00	0.00
123814 KU Storms - May 11, 2008	0.00	0.00	0.00	0.00	231,286.31	0.00	0.00	0.00
123815 KU Storms - June 3, 2008	0.00	0.00	0.00	0.00	188,858.35	0.00	0.00	0.00
124599 KU Storms - June 9 - 10, 2008	0,00	0.00	0.00	0.00	279,744.68	0.00	0.00	00,0
124600 KU - WINDSTORM 9/14/08	0.00	0.00	0.00	0.00	1,016,319.00	0.00	0,00	0.00
KMS013010 KU Major Storm - 01/30/10	0.00	0,00	0.00	0.00	0.00	00.00	471.60	0.00
KMS062110 062110 KU Major Storm	0.00	0.00	0.00	0.00	0.00	0,00	205,902.35	0.00
KMS080510 KU Major Storm 08-05-2010	0.00	0.00	0.00	0.00	0.00	0.00	267,304.87	1,063,66
STRM11560 KU Minor Storm Earlington	0.00	0.00	0.00	0.00	0.00	0.00	151,715.56	271,477.51
STRM12160 KU Minor Storms Danville	0.00	0.00	0.00	0.00	0.00	0.00	97,866.51	128,966.99
STRM12360 KU Minor Storms Richmond	0.00	0.00	0.00	0.00	0.00	0.00	89,396.94	90,459.00
STRM12460 KU Minor Storms Elizabethtown	0.00	0.00	0.00	0.00	0.00	0.00	24,761.83	73,149,18
STRM12560 KU Minor Storms Shelbyville	0.00	0.00	0.00	0,00	0,00	0.00	146,687.10	134,745.90
STRM13150 KU Minor Storms Lexington	0.00	0.00	0.00	0,00	0.00	0.00	349,708.27	649,530.72
STRM13660 KU Minor Storm Maysville	0.00	0.00	0.00	0.00	0.00	0.00	227,419.14	197,886.25
STRM14160 KU Minor Storms Pineville	0.00	0.00	0.00	0.00	0.00	0.00	147,647.33	354,517.70
STRM14260 KU Minor Storms London	0.00	0.00	0.00	0,00	0.00	0.00	57,370,35	176,549,28
STRM17660 KU Minor Storms Norton	0.00	0.00	0.00	0,00	0.00	0.00	81,781.86	269,048.83
STRMDANOC Minor Storm Event Danville	0.00	0.00	0.00	0.00	0.00	51,855.45	0.00	0.00
STRMEAROC Minor Storm Event Earlington	0.00	0,00	0.00	0.00	0.00	145,681.23	18.86	0.00
STRMELIOC Minor Storm Event Elizbtwn	0.00	0,00	0.00	0.00	0.00	29,639.57	1,091.91	0.00
STRMKU KU Major Storm Event	0.00	0.00	0.00	0.00	0.00	4,567,625.20	776,262.28	1,010.48
STRMLEXOC Minor Storm Event Lexington	0.00	0.00	0.00	0.00	0.00	68,214.36	402.97	0.00
STRMLONOC Minor Storm Event London	0.00	0.00	0.00	0.00	0.00	56,464.60	722.11	0.00
STRMMAYOC Minor Storm Event Maysville	0.00	0.00	0.00	0,00	0.00	50,499.22	0.00	0.00
STRMNOROC Minor Storm Event Norton	0,00	0,00	0.00	0.00	0.00	36,160.82	12.18	0.00
STRMPINOC Minor Storm Event Pineville	0.00	0.00	0,00	0,00	0.00	139,365.19	0.00	0,00
STRMRICOC Minor Storm Event Richmond	0.00	0.00	0.00	0,00	0.00	33,611.19	53.35	0.00
STRMSHEOC Minor Storm Event Shelbyville	0.00	0.00	0.00	0.00	0.00	36,433.14	0.00	0.00
STRM13085 STORM 013085	0.00	0.00	0.00	0.00	0.00	0.00	0,00	0.00
KMS040411 KU MAJOR STORM 040411	0.00	0.00	0.00	0,00	0.00	0.00	0.00	287,921.01
KMS042011 KU MAJOR STORM 042011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	49,905.72
KMS042211 KU MAJOR STORM 042211	0.00	0.00	0.00	0.00	0.00	0.00	0.00	712,794.17
KMS052511 KU MAJOR STORM 052511	0.00	0.00	0.00	0.00	0.00	0.00	0,00	54,266.36
KMS062110 062110 KU Major Storm	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,222.91
KMS081311 KU MAJOR STORM 081311	0.00	0.00	0.00	0.00	00,0	0.00	0.00	534,887.63
	4,120,482.25	2,539,379.20	4,113,533.55	2,035,290.97	6,951,799.22	5,225,248.47	2,626,597.37	3,998,403.30

Bureau of Labor Statistics

Consumer Price Index - All Urban Consumers Original Data Value

Series Id: CUUR0000SA0

Not Seasonally Adjusted

Area: U.S. city average

 Item:
 All items

 Base Period:
 1982-84=100

 Years:
 2001 to 2011

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
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	195.4	196.4	198.8	199.2	197.6	196.8	195.3	193.2	197.4
2006		198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	201.6	200.6	202.6
2007		202.416	203.499	205.352	206.686	207.949	208.352	208.299	207.917	208.490	208.936	210.177	210.036	207.342	205.709	208.976
2008		211.080	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	215.303	214.429	216.177
2009		211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	214.537	213.139	215.935
2010		216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	218.056	217.535	218.576
2011		220.223	221.309	223,467	224.906	225.964	225.722	225.922	226,545	226.889	226.421	226,230	225.672	224.939	223.598	226.280

Adjustment for Injuries and Damages FERC Account 925 For the Twelve Months Ended December 31, 2011

1. Injury/Damage provision based upon ten year average	\$ 2,119,490
2. Injury/Damage expenses incurred during the 12 months ended December 31, 2011	3,080,346
3. Adjustment	(960,856)
4. Kentucky Jurisdiction (Ref. Sch. Allocators)	 88.933%
5. Kentucky Jurisdictional adjustment	\$ (854,518)

			CPI-All Urban	Adjusted
Year		Amount	Consumers	Amount
2011	\$	3,080,346	1.0000	\$ 3,080,346
2010		2,451,761	1.0316	2,529,237
2009		1,840,625	1.0485	1,929,895
2008		1,226,235	1.0448	1,281,170
2007		1,178,212	1.0849	1,278,242
2006		1,690,654	1.1158	1,886,432
2005		2,268,036	1.1518	2,612,324
2004		1,080,732	1.1908	1,286,936
2003		1,776,006	1.2225	2,171,167
2002		2,510,515	1.2504	3,139,148
Total				\$ 21,194,897
Ten Year Average	;			\$ 2,119,490

KU and LG&E FERC 913, 925, and 930.1 GL Totals GL Start Date : '01-JAN-11' , GL End Date : '31-DEC-11'

		Period Net		
	Γ	Electric	Gas	Sum
Company	FERC			
	913	25,095.44	8,365.15	33,460.59
0100	925	2,523,087.51	750,641.78	3,273,729.29
	930.1	487,584.38	195,409.76	682,994.14
LG&E	Sum	3,035,767.33	954,416.69	3,990,184.02
	913	33,460.59	NULL	33,460.59
0110	925	3,080,346.27	NULL	3,080,346.27
	930.1	795,813.82	NULL	795,813.82
KU	Sum	3,909,620.68		3,909,620.68

KENTUCKY UTILITIES COMPANY

Period:<All> Company:0110

		Net Amount						
		C. Payables	D. Labor	E1. Burden Charges	G. Accounting Entries	H. Mass Allocation s	Other	Account Totals
Account	Account Description							
925001	PUBLIC LIABILITY	212,518.19			1,824,384.09			2,036,902.28
925002	WORKERS COMP EXPENSE - BURDENS			462,637.95	199,135.85	-29,745.06		632,028.74
925003	AUTO LIABILITY	53,511.97			-31,258.00			22,253.97
925004	SAFETY AND INDUSTRIAL HEALTH	6,637.86	55,226.02	15,145.47	81.20		6,276.23	83,366.78
925100	OTHER INJURIES AND DAMAGES	243,057.93			48,000.00			291,057.93
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT					12,452.92		12,452.92
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	2,283.65						2,283.65

TOTALS

518,009.60 55,226.02 477,783.42 2,040,343.14 -17,292.14 6,276.23 3,080,346.27

Bureau of Labor Statistics

Consumer Price Index - All Urban Consumers Original Data Value

Series Id:

CUUR0000SA0

Not Seasonally Adjusted

Area: U.S. city average

Item:

All items

Base Period:

1982-84=100

Years:

2001 to 2011

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
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	195.4	196.4	198.8	199.2	197.6	196.8	195.3	193.2	197.4
2006		198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	201.6	200.6	202.6
2007		202.416	203.499	205.352	206.686	207.949	208.352	208.299	207.917	208.490	208.936	210.177	210.036	207.342	205.709	208.976
2008		211.080	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	215,303	214.429	216.177
2009		211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	214.537	213.139	215.935
2010		216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	218.056	217.535	218.576
2011		220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	224.939	223,598	226.280

Source: Bureau of Labor Statistics

Exhibit 1 Reference Schedule 1.14

KENTUCKY UTILITIES

Adjustment to Eliminate Advertising Expenses Pursuant to Commission Rule 807 KAR 5:016 For the Twelve Months Ended December 31, 2011

1. Uniform System of Accounts -		
Account No. 930.1 General Advertising Expenses	\$	795,814
2. Account No. 913 Advertising Expenses	***************************************	33,461
3. Total		829,275
4. Kentucky Jurisdiction (Ref. Sch. Allocators)		94.909%
5. Kentucky Jurisdictional amount	\$	787,057
6. Kentucky Jurisdictional adjustment	\$	(787,057)

Company:Kentucky Utilities Company

25075075W	#511 N:	300 M	Period Net					
		Prod	Electric				Totals	
	1 - 1 (5) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Qtr		2	3	4		Total
ne Num	Account							
	909004	\$55.50			2,250.00		2,250.00	
25	909010	3000	37,541.98	29,384.25	47,548.64	19,317.20		
	909011		464.00	430.80	817,36	133.84		
	909013	355	1,280,00	4,250.01	7,390.00	4,223.42		
	910001	1.11	10,000.00	2,552.50	-9,913.64	5,406.25		
	910900		35,574.71	97,237.28	76,418.68	90,761.34		
	913012	·	10,270.40	10,162.22	8,671.30	4,356.67		33,460.59
	920100	:	876,072.06	842,992.04	587,398.13		2,690,617.80	
	920900		5,088,239.91	4,662,665.72	4,746,066.44		18,913,797,70	
	921002		71,377.98	149,620.43	96,951.55		476,615.56	
	921003		653,112.45	377,457.24	466,494.27		1,995,693.81	
	921004	:.	147,045.35	163,786.28	236,424.32	367,288.73	914,544.68	
	921902		265,204.24	180,283.23	150,164.54	191,301.14	786,953.15	
	921903		780,460.81	812,112.88	798,440.22		3,182,308.19	
	922001	1.11	-357,893.39	-331,010.93	-479,530.96		-1,600,353.80	
	922002	() ·	-112,574.76	-93,737.43	-149,929.17	-164,470.95	-520,712.31	
	922003	250	-108,600.37	-116,342.79	-130,749.95		-489,706.88	
	923100	980	895,840.75	903,807.32	1,421,618.08		4,000,981.71	
	923101	1820d	124,531.41	139,118.00	57,158.00	139,614.00	480,421.41	
	923301	\$3600	3,093.86	3,093.86	3,093.86		12,375.44	
	923302	250	2,100.00	2,100.00	2,100.00		8,400.00	
	923900	整数器	563,990.36	867,269.60	1,199,468.52		4,135,913.60	
	924100	三流派	781,058.77	1,267,483.51	996,664.19		4,205,918.63	
	925001	整建	326,946.13	747,741.24	470,095.12		2,036,902.28	
	925002		92,376.92	410,416.30	68,550.34		632,028.74	
	925003	美沙湾	20,471.27	3,439.07	19,056.79		22,253.97	
	925004		21,731.21	18,833.06	22,304.08		83,366.78	
	925100	STATE OF	124,732.93	35,100.00		131,225.00		
	925902	交換室	3,417.82	2,473.96	2,522.06	4,039.08	1. 11 10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	{
	925904	多為基	56.25	1,002.50	972.40	252.50		
	926001	100	32,071.85	38,113.37	18,070.92		98,004.63	
	926002		48,810.22	59,701.01	62,789.21		236,843.65	
	926003		2,105,222.42	1,706,587.33	1,637,021.31		7,279,771.32	
	926004	******	106,160.80	104,820.50	110,641.26		378,252.17	
	926005	泛美歌	106,888.51	59,537.39	42,966.71	39,883.39	249,276.00	-
	926019	经规范	275,095.48	204,236.20	42,555.70		330,068.99	
	926101	STATE OF	3,992,548.23		3,193,190.16		13,890,449.93	
	926102		629,845.02	614,881.08	615,688.31		2,518,410.49	
	926105		42,547.08		88,224.40		842,911.26 4,160,103.50	4
	926106		927,175.59		1,026,236.83			
	926110	建筑营	18,574.67	8,262.80	12,452.31	19,293.79	58,583.57	1
	926116	表数		59,587.19	62,483.30	130,844.42	316,327.22	
	926117		175,259.83	-175,259.83			0.00	4
警察	926118		147,057.59	-147,057.59	00 475 44	20 002 04	148,600.85	
	926901		33,216.75		39,175.44	20,003.21	123,135.27	#
	926902	4 * - a 4 *** ***	45,103.40		29,290.57		2,677,228.67	
	926903		677,222.10		776,747.95		153,348.48	
	<u>\$926904</u>				39,264.44	29,077.88		
	926905	77.05	51,450.82	25,197.85	17,196.12	20,021.20	11-7,-712.04	u

Income Statement Accounts Period Name: 'JAN-2011, FEB-2011, MAR-2011, APR-2011, MAY-2011, JUN-2011, JUN-2011, AUG-2011, SEP-2011, OCT-2011, NOV-2011, DEC-2011', Company: '0100, 0110' Excludes Org 999001

Company: Kentucky Utilities Company

			Period Net					
		Prod	Electric				Totals	tednesystratic step til
		Qtr	1	2	3	4		Total
ne Num	Account		AND				新发展的	
医黑洲	926911	30,802	927,945.64	1,433,652.82	1,546,044.21	1,543,434.30		
的复数	926912	****	303,639.16	282,331.66	291,015.30			
	926915		34,239.40	32,042.79				
	926916	:	117,854.62	120,195.11	125,646.17	125,389.40		
	926917		26,122.20				26,122,20	
	926918		22,826.40				22,826,40	
	926919		28,380.38	81,003.18				
	926990	· · · ·	40,464.86	33,275.89	34,277.63		176,928.72	
	927002		850.84	899.78	904.97	940.72	3,596.31	
	928001	·		4,185.88	5,217.98	3,473.50	12,877.36	
	928002		77,282.44	198,852.94	92,513.00	83,801.00	452,449.38	
	928003		283,020.39		283,020.39	283,020.39	1,132,081.56	
	928006		-25.00				-25.00	
	928007		44,595.12	135,600.89	58,323.88	30,383.52	268,903,41	
	929002		-850.84		-904.97	-940.72	-3,596.31	
	930101		187,634.29		146,413.12	161,142.67	765,788.50	795,813.82
	930191		5.110.00	4.270.00	2,555.00			
	Sum		21 976 609 98	22.255.176.53	21,185,002.71	20,894,804.85	86,311,594.07	
et Incon	THE PROPERTY OF THE PARTY OF TH	FER	21,976,609.98	22,255,176.53	21,185,002.71	20,894,804.85	86,311,594.07	l

Exhibit 1 Reference Schedule 1.15

KENTUCKY UTILITIES

Adjustment to Remove Out-of-Period Items For the Twelve Months Ended December 31, 2011

	Revenue		 Expense		
1. Out of Period adjustment	\$	6,404	\$ 20,764		
2. Kentucky Jurisdiction (Ref. Sch. Allocators)	·	94.580%	 87.580%		
3. Kentucky Jurisdictional adjustment	\$	6,057	\$ 18,185		

Kentucky Utilities Company Out-of-Period Adjustments

(1)	(2)	(3)	(4)	(5)	(5)	(6)	(7)
ĞĹ							
Period			0 . 40 . 1 1 44	Revenue	Expense	Journal Entry	Description
Entered	Account	Out of Period Month	Out of Period Amt.	Revenue	682.78	J423-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	573100	Oct-10	682.78 5,154.36		5,154.36	J426-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	593002	Mar-10			1,017.00	J426-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	593002	Aug-10	1,017.00		4,947.98	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Apr-10	4,947.98		5,266.51	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	May-10	5,266.51		3,264.60	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Jun-10	3,264.60		(8,531.11)	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Jul-10	(8,531.11)		(4,947.98)	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Sep-10	(4,947.98) 346.36		346.36	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Oct-10	187.75		187.75	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Dec-10	5,052.02		5,052.02	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Apr-10	5,377.24		5,377.24	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	May-10	3,333.24		3,333.24	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Jun-10 Jul-10	(8,710.48)		(8,710.48)	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903		(5,052.02)		(5,052.02)	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Sep-10 Oct-10	353.64		353.64	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Dec-10	191.70		191.70	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Nov-10	7,881.92		7,881.92	J425-0110-1111	No capital additions/material - tsf chgs to O&M
Nov-11	571100	Dec-10	(7,929.20)		(7,929.20)	J425-0110-1111	No capital additions/material - tsf chgs to O&M
Nov-11	571100		260.96		260.96	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	9,328.65		9,328.65	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	379.27		379.27	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	2,366.68		2,366.68	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	325.41		325.41	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	106.32		106.32	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	686.13		686.13	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	602.81		602.81	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10			200.88	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	200.88		130.78	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	130.78		2,137.62	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	2,137.62			J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	1,055.32		1,055.32	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	1,243.77		1,243.77		No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	541.81		541.81	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593001	Apr-10	1,481.44		1,481.44	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593001	Apr-10	1,177.24		1,177.24	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593001	Apr-10	2,480.13		2,480.13	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593001	Apr-10	164.86		164.86	J431-0110-1211	No capital additions/material - islengs to O&M
Dec-11	593002	Aug-10	988.89		988.89	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	182.25		182.25	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	1,460.06		1,460.06	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	4,681.79		4,681.79	J431-0110-1211	No capital additions/material - tsf chgs to O&M
	593002	Oct-10	878.98		878.98	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	393002	Oct-10	3.3.70				

(1)	(2)	(3)	(4)	(5)	(5)	(6)	(7)
GL							•
Period			Out of Period Amt.	Revenue	Expense	Journal Entry	Description
Entered	Account	Out of Period Month	1,132.40	Revenue	1,132.40	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	181.85		181.85	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	196.16		196.16	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	689.83		689.83	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jun-10 Jun-10	475.32		475.32	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jun-10 Jul-10	509.78		509.78	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	52.60		52.60	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002 593002	Dec-10	2,616.88		2,616.88	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	1,308.23		1,308.23	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Nov-10	(130.13)		(130.13)	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	455.38		455.38	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11 Dec-11	593002	Nov-10	1.27		1.27	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	1,168.19		1,168.19	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Sep-10	2,742.36		2,742.36	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	255.67		255.67	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jul-10	205.62		205.62	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jui-10	311.31		311.31	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jun-10	1,632.43		1,632.43	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jun-10	482.65		482.65	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	106.74		106.74	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Nov-10	4,394.77		4,394.77	J431-0110-1211	No capital additions/material - tsf chgs to O&M
	593002	Aug-10	3,608.02		3,608.02	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jul-10	2,385.34		2,385.34	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11			28,515.88		28,515.88	J430-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	571100	Feb-10	933.33		933.33	J430-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	571100	Aug-10			(667.65)	J430-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	571100	Oct-10	(667.65)		(4,361.50)	J241-0110-0911	LS Power Acquisition Reclass from Exp to Other Def Debits
Sep-11	923900	Dec-10	(4,361.50)		(5,120.03)	J241-0110-0911	LS Power Acquisition Reclass from Exp to Other Def Debits
Sep-11	923900	Dec-10	(5,120.03)	(240.54)	(3,120.03)	J241-0110-1011	Correct Dynegy Transmission Payable
Oct-11	456109	Dec-08 - Mar-09, Aug-09	(340.54)	(340.54)		J241-0110-1011	Correct Dynegy Transmission Payable
Oct-11	456109	Dec-08 - Mar-09, Aug-09	(71.17)	(71.17)		J241-0110-1011	Correct Dynegy Transmission Payable
Oct-11	456109	Dec-08 - Mar-09, Aug-09	(5,992.10)	(5,992.10)	(105,594.57)	FWX Interface	Correction of Fuels A/P accrual due to incorrect pricing. (waived adj)
Mar-11	501001	Dec-10	(105,594.57) _		(103,394.37)	I WA Incliace	
TOTAL				(6,403.81)	(20,763.51)		
ADJUST	MENT			6,403.81	20,763.51		

Calculation of Composite Federal and Kentucky Income Tax Rate (Based on Law in Effect January 1, 2012)

1. Assume pre-tax income of	\$ 100.000	0				
2. State income tax at 6.00%	5.756	0				
3. Taxable income for Federal income tax before production deduction Production Rate 9% Allocation to Production Income 0.6779 Allocated Production Rate 6.10%	ı	0				
4. Less: Production tax deduction (6.10% of Line 3)	5.748	9				
5. Taxable income for Federal income tax (Line 3 - Line 4)						
6. Federal income tax at 35% (Line 5 x 35%)						
7. Total State and Federal income taxes (Line 2 + Line 6)						
8. Therefore, the composite rate is:						
9. Federal 30.9733%						
10. State 5.7560%						
11. Total 36.7293%						
State Income Tax Calculation	\$ 100.000	ıΛ				
1. Assume pre-tax income of	\$ 100.000	U				
2. Less: Production tax deduction (6% x 0.6779) (1)	4.067	4				
3. Taxable income for State income tax						
4. State Tax Rate						
5. State Income Tax						

Notes: (1) Pursuant to KRS 141.010(11)(c) and (13)(c), for taxable years beginning on or after January 1, 2010, the amount of domestic production activities deduction calculated at six percent (6%) as allowed in Section 199(a)(2) of the Internal Revenue Code for taxable years beginning before 2010.

Calculation of Current Tax Adjustment Resulting From "Interest Synchronization"

1. Adjusted Jurisdictional Capitalization - Exhibit 2	\$	3,238,764,432
2. Weighted Cost of Debt - Exhibit 2	saucert aut de la 1987.	1.71%
3. "Interest Synchronization"	\$	55,382,872
4. Kentucky Jurisdictional Interest per books (excluding other interest)	***************************************	56,437,877
5. "Interest Synchronization" adjustment (Line 4 - 3)	\$	1,055,005
6. Composite Federal and State tax rate		36.7293%
7. Current tax adjustment from "Interest Synchronization"	\$	387,496

SUPPORT FOR PER BOOKS INTEREST CALCULATION

Total Interest per books (a)	70,333,584
Less: Customer Deposits Interest	1,363,673
Less: Other Tax Deficiences Interest	18,359
Less: Interest on DSM Recovery	11,695
Less: AFUDC Borrowed Funds	(12,955)
Total Interest per books excluding other interest	68,952,813
Kentucky Jurisdiction Percent (b)	81.850%
Kentucky Jurisdictional Interest	56,437,877

- (a) Financial Report page 12
- (b) Supporting Schedule-Exhibit 3, Page 1, Col 6, Line 20

Kentucky Utilities Company Analysis of Interest Charges December 31, 2011

	Current	Month	Year to	Date	Year Ended Current Month		
	This Year	Last Year	This Year	Last Year	This Year	Last Year	
Interest on Long-Term Debt							
Loan Agreement - Pollution Control Bonds							
Mercer County 2000 Series A due 05/01/23 Var%	\$ 1,297.07	\$ 3,735.70	\$ 24,276.33	\$ 42,209.43	\$ 24,276.33	\$ 42,209.43	
Carroll County 2002 Series A due 02/01/32 Var%	9,776.89	13,274.79	173,627.27	148,431.00	173,627.27	148,431.00	
Carroll County 2002 Series B due 02/01/32 Var%	1,121.10	1,522.19	19,490.49	17,020.27	19,490.49	17,020.27	
Carroll County 2002 Series C due 10/01/32 Var%	8,000.00	42,160.00	254,410.76	687,799.96	254,410.76	687,799.96	
Mercer County 2002 Series A due 02/01/32 Var%	3,456.71	4,693.42	58,916.16	52,479.19	58,916.16	52,479.19	
Muhlenburg County 2002 Series A due 02/01/32 Var%	1,121.10	1,522.19	19,107.98	17,020.27	19,107.98	17,020.27	
Carroll County 2004 Series A due 10/01/34 Var%	5,616.44	13,150.68	103,260.21	150,301.37	103,260.21	150,301.37	
Carroll County 2006 Series B due 10/01/34 Var%	5,991.78	14,439.45	112,837.80	166,467.95	112,837.80	166,467.95	
Carroll County 2007 Series A due 02/01/26 5.75%	85,651.04	85,651.05	1,027,812.50	1,027,812.50	1,027,812.50	1,027,812.50	
Trimble County 2007 Series A due 03/01/37 6.00%	44,635.00	44,635.00	535,620.00	535,620.00	535,620.00	535,620.00	
Carroll County 2008 Series A due 02/01/32 Var%	8,627.60	20,287.68	161,190.94	240,227.48	161,190.94	240,227.48	
Loan Agreement - First Mortgage Bonds							
First Mortgage Bond due 11/01/15 1.625%	338,541.66	338,541.67	4,062,499.99	507,812.51	4,062,499.99	507,812.51	
First Mortgage Bond due 11/01/20 3.250%	1,354,166.66	1,354,166.67	16,249,999.99	2,031,250.01	16,249,999.99	2,031,250.01	
First Mortgage Bond due 11/01/40 5.125%	3,203,125.00	3,203,125.00	38,437,500.00	4,804,687.50	38,437,500.00	4,804,687.50	
Fidelia/PPL			_	64,015,302.78		64,015,302.78	
Total	5,071,128.05	5,140,905.49	61,240,550.42	74,444,442.22	61,240,550.42	74,444,442.22	
Amortization of Debt Expense - Net							
Amortization of Debt/Discount Expense	255,443.25	238,663.61	3,123,233.71	584,124.41	3,123,233.71	584,124.41	
Amortization of Loss on Reacquired Debt	50,414.39	50,414.39	604,972.68	604,817.50	604,972.68	604,817.50	
Total	305,857.64	289,078.00	3,728,206.39	1,188,941.91	3,728,206.39	1,188,941.91	
Other Interest Charges			•				
Customers' Deposits	113,597.83	107,358.30	1,363,672.66	1,363,569.87	1,363,672.66	1,363,569.87	
Other Tax Deficiencies	-	4,496.00	18,358.75	87,641.07	18,358.75	87,641.07	
Interest on DSM Cost Recovery	1,175.70	1,254.61	11,695.03	18,380.69	11,695.03	18,380.69	
Interest on Debt to Associated Companies	•	1,160.64	6,321.35	127,043.41	6,321.35	127,043.41	
AFUDC Borrowed Funds	(575.60)	(82,702.68)	(12,955.08)	(968,596.93)	(12,955.08)	(968,596.93)	
Other Interest Expense	260,844.22	483,825.81	3,977,734.69	2,362,787.93	3,977,734.69	2,362,787.93	
Total	375,042.15	515,392.68	5,364,827.40	2,990,826.04	5,364,827.40	2,990,826.04	
Total Interest	\$ 5,752,027.84	\$ 5,945,376.17	\$ 70,333,584.21	\$ 78,624,210.17	\$ 70,333,584.21	\$ 78,624,210.17	

Adjustment for Prior Period Income Tax True-Ups and Adjustments For the Twelve Months Ended December 31, 2011

 Prior Year Income Tax True-up: Federal Tax expense (benefit) State Tax expense (benefit) 	\$	979,690 (626,260)
4. Total Income Tax True-up	\$	353,430
5. Other Tax adjustments:		
6. Kentucky Coal Credit		(1,468,105)
7. Total Other Tax adjustments:	\$	(1,468,105)
8. Federal benefit for State Tax adjustments		733,028
9. Total adjustments (Line 4 + Line 7 + Line 8)	\$	(381,647)
10. Kentucky Jurisdiction (Ref. Sch. Allocators)	***************************************	91.135%
11. Kentucky Jurisdiction amount (Line 9 x Line 10)	\$	(347,815)
12. Kentucky Jurisdiction adjustment	\$	347,815

		12ME 12/31/2011	12ME 12/31/2011
Development of Inco	ome Taxes	FEDERAL	STATE
Operating Income B	efore Tax		
	Operating Income (including change in accounting) Add Back: Income Taxes	242,590,188 109,076,966	242,590,188 109,076,966
	SUBTOTAL	351,667,154	351,667,154
	Interest expense including AFUDC Debt Customer deposits Other interest expense taxed below the line State income tax Sec. 199 Manufacturing Deduction Meals AFUDC Equity Depreciation	(70,333,584) 1,363,673 30,054 (14,429,640) (446,629) 137,097 1,000,000	(70,333,584) 1,363,673 30,054 (4,635,413) 137,097 1,000,000
	OPERATING TAXABLE INCOME	268,988,125	279,228,981
		94,145,844	16,753,739
	Adjustments: Tax return prior year true-up Tax Adjustments	570,486) (809,201) ව
	203(E) Excess deferred taxes prior year true-up 203(E) Excess deferred taxes TC2 depreciation basis adjustment Reserve Release/Additions	409,204 () (1,118,077) 915,357) 182,941 ② (386,652) 156,918
	R&E Credits Coal Credit	(275,485)	(1,468,105)
	Total Operating Income Tax	94,647,329	14,429,640
		94,647,327	14,429,639
	Difference	2	1
	•	①	= 979,69
		②	= 979,69

Calculation of Revenue Gross Up Factor (Based on Law in Effect January 1, 2012)

	STATE		FEDERAL		
1. Assume pre-tax income of	\$	100.000000	\$	100.000000	
2. Bad Debt at .4600%		0.460000		0.460000	
3. PSC Assessment at .1529%		0.152900		0.152900	
4. Production Tax Credit-State (Reference Schedule 1.18)		4.067400			
5. Taxable income for State income tax		95.319700		99.387100	
6. State income tax at 6.00%		5.719182		5.719182	
7. Production Tax Credit-Federal (Reference Schedule 1.18)			******	5.748887	
8. Taxable income for Federal income tax				87.919031	
9. Federal income tax at 35%				30.771661	
10. Total Bad Debt, PSC Assessment, State and Federal income taxes (Line 2 + Line 3 + Line 6 + Line 9)				37.103743	
11. Assume pre-tax income of			\$	100.000000	
12. Gross Up Revenue Factor				62.896257	

Kentucky Jurisdictional Allocators <u>At December 31, 2011</u>

R	efe	rei	ıce

	Reference		
Title	Schedule	Factor	Allocation Based On
ECR Operating Expense	1 03	86.677%	Composite rate developed from steam depreciation allocator (86.669%), steam plant O&M allocator (85.981%), energy allocator (86.773%) and net plant allocator for property tax (87.284%)
Brokered and Off-System Energy	1.04, 1.05	86.773%	Ratio of Kentucky retail kilowatt-hour sales to Total Company kilowatt-hour sales
Depreciation	1.09	87.347%	Composite rate developed by dividing Kentucky retail depreciation by Total Company depreciation
Labor	1.10	88.933%	Direct labor
Pension and Post Retirement and Benefits	1.11	88.933%	Direct labor
Distribution O&M (Storm Damages)	1.12	94.089%	Distribution plant
Injuries/Damages	1.13	88.933%	Direct labor
Advertising Expense	1.14	94.909%	Retail energy
Miscellaneous Revenue-Account 456	1.15	94.580%	Demand Nón-Ferc
Total O&M	1.15	87.580%	Total O&M
Income Taxes	1.20	91.135%	Income tax expense

Capitalization at December 31, 2011

		Per Books 12-31-11 (1)	Capital Structure (2)	Undistributed Subsidiary Earnings (3)	Investment in EEI (Col 2 x Col 4 Lmc 4) (4)	Investments in OVEC and Other (Col 2 x Col 5 Line 4) (5)	Adjustments to Total Co. Capitalization (Sum of Col 3 - Col 5) (6)	Adjusted Total Company Capitalization (Col 1 + Col 6) (7)	Jurisdictional Rate Base Percentage (Exhibit 3 Line 19) (8)	Kentucky Jurisdictional Capitalization (Col7 x Col 8) (9)
1.	Short Term Debt	s -	0.00%	s -	s -	s -	s -	s -	87.43%	s -
2.	Long Term Debt	1,840,591,561	46.38%	-	(600,992)	(199,026)	(810,008)	1,839,791,543	87.43%	1,608,529,746
3.	Common Equity	2,128,238,257	53.62%	(7,535,369)	(694,808)	(230,095)	(8,460,272)	2,119,777,985	87.43%	1,853,321,893
4.	Total Capitalization	\$ 3,968,829,818	100.00%	\$ (7,535,369)	\$ (1,295,800)	\$ (429,121)	\$ (9,260,290)	\$ 3,959,569,528		\$ 3,461,851,639

					Adjusted					
				Environmental Kentucky					Cost	
		Kentucky		Compliance	Jurisdictional	Adjusted	Annual		of	
		Jurisdictional	Capital	Plans (a)	Capitalization	Capital	Cost		Capital	
		Capitalization (9)	Structure (10)	(Col 10 x Col 11 Line 4)	(Col 9 + Col 11) (12)	Structure (13)	Rate (14)		(Col 14 x Col 13)	
1.	Short Term Debt	s -	0.00%	s -	s -	0.00%	0.45%	(b)	0.00%	
2.	Long Term Debt	1,608,529,746	46.46%	(103,646,316)	1,504,883,430	46.46%	3.68%	(b)	1.71%	
3.	Common Equity	1,853,321,893	53.54%	(119,440,891)	1,733,881,002	53.54%	10.75%	(c)	5.76%	
4.	Total Capitalization	\$ 3,461,851,639	100.00%	\$ (223,087,207)	\$ 3,238,764,432	100.00%		_	7.47%	

(a) Environmental Compliance Plans:
Total Jurisdictional ECR Rate Base at 12/31/11
Less: Juris ECR Rate Base Roll-In '05 and '06 Plans
Jurisdictional Net ECR Rate Base

\$ 1,093,156,124 870,068,917 \$ 223,087,207

(b) Embedded cost as of December 31, 2011

(c) Threshold Rate of Return on Common Equity (Section 2.3)

Kentucky Utilities Company Comparative Balance Sheets as of December 31, 2011 and 2010

Assets	This Year	Last Year	Liabilities and Proprietary Capital	This Year	Last Year
Utility Plant			Proprietary Capital		
Utility Plant at Original Cost	\$ 6,783,199,672.46	\$ 6,496,781,295.39	Common Stock	\$ 308,139,977.56	\$ 308,139,977.56
Less: Reserves for Depreciation and Amortization	2,395,037,772.83	2,261,926,782.36	Less: Common Stock Expense	321,288.87	321,288.87
			Paid-In Capital	315,858,083.00	315,858,083.00
Total	4,388,161,899.63	4,234,854,513.03	Other Comprehensive Income	(2,457,900.37)	(1,993,677.24)
* • • • • • • • • • • • • • • • • • • •	1,500,101,055.00	1,251,551,551,55	Retained Earnings	1,490,663,791.10	1,439,351,593.82
			Unappropriated Undistributed Subsidiary Earnings	16,355,594.75	14,432,395.75
Investments					
Electric Energy, Inc.	13,628,644.55	12,465,221.55	Total Proprietary Capital	2,128,238,257.17	2,075,467,084.02
Ohio Valley Electric Company	250,000.00	250,000.00			
Nonutility Property-Less Reserve	179,120.94	179,120.94	Pollution Control Bonds	350,779,405.00	350,779,405.00
, , ,			First Mortgage Bonds	1,489,812,156.25	1,489,176,906.25
Total	14,057,765.49	12,894,342,49	LT Notes Payable to Associated Companies	· · · · ·	• • •
				-	
			Total Long-Term Debt	1,840,591,561.25	1,839,956,311.25
Current and Accrued Assets					
Cash	31,096,140.42	3,132,599.79	Total Capitalization	3,968,829,818.42	3,915,423,395.27
Special Deposits	45,500.00	418,600.30			
Temporary Cash Investments	43,674.49	200,847.07	Current and Accrued Liabilities		
Accounts Receivable-Less Reserve	164,311,372,23	198,513,561.39	ST Notes Payable to Associated Companies	-	10,434,000.00
Accounts Receivable from Associated Companies	39,615.59	11,996,433.15	Accounts Payable	119,658,898.66	76,307,786.67
Materials and Supplies-At Average Cost	,	11,000,000	Accounts Payable to Associated Companies	33,178,775.21	45,351,361.74
Fuel	96,745,428.76	94,898,528.15	Customer Deposits	22,862,411.92	22,839,133.25
Plant Materials and Operating Supplies	34,036,932.19	32,560,243.26	Taxes Accrued	10,729,937.99	24,614,782.98
, , ,		8,854,899.43	Interest Accrued	10,729,937.99	8,149,642.02
Stores Expense	9,914,010.27			10,019,639.10	0,149,042.02
Emission Allowances	450,462.32	566,579.00	Dividends Declared Miscellaneous Current and Accrued Liabilities	10 177 240 61	10 510 257 41
Prepayments.	7,285,320.31	8,173,724.00	Miscenaneous Current and Accrued Liabilities	19,177,240.61	19,512,357.41
Miscellaneous Current and Accrued Assets		20,501.20	m . I	016 007 102 77	007 000 064 07
m . I	0.40.000.400.00	0.50 000 510 51	Total	216,227,103.55	207,209,064.07
Total	343,968,456.58	359,336,516.74			5
			Deferred Credits and Other		
Deferred Debits and Other			Accumulated Deferred Income Taxes	559,462,412.30	396,607,180.67
Unamortized Debt Expense	21,600,912.97	21,213,642.72	Investment Tax Credit	101,407,768.32	104,094,169.32
Unamortized Loss on Bonds	11,775,117.37	12,380,090.05	Regulatory Liabilities	108,313,656.21	55,112,630.40
Accumulated Deferred Income Taxes	86,746,693.05	34,511,064.10	Customer Advances for Construction	3,155,939.30	2,869,273.92
Deferred Regulatory Assets	268,828,295.77	208,403,355.44	Asset Retirement Obligations	61,789,582.18	53,981,306.41
Other Deferred Debits	45,192,019.67	42,753,151.34	Other Deferred Credits	6,945,601.15	8,491,442.40
			Miscellaneous Long-Term Liabilities	2,695,347.71	2,423,615.65
Total	434,143,038.83	319,261,303.65	Accum Provision for Postretirement Benefits	151,503,931.39	180,134,597.80
			Total	995,274,238.56	803,714,216.57
Total Assets	\$ 5,180,331,160.53	\$ 4,926,346,675.91	I Vide	773,211,230.30	000,711,210.07
2 0002 7 2000to	Ψ 2,100,111,100,22	Ψ ¬1,220,240,013.71	Total Liabilities and Stockholders Equity	\$ 5,180,331,160.53	\$ 4,926,346,675.91

Kentucky U. ..es Company Analysis of Retained Earnings December 31, 2011

	Current Month					Year to			Month			
•		Total				Total		Undistributed		Total	1	Undistributed
		Retained		Subsidiary		Retained		Subsidiary		Retained		Subsidiary
Retained Earnings and Undistributed Earnings	Earnings			Earnings		Earnings		Earnings		Earnings	Earnings	
Balance at Beginning of Period Add: Net Income for Period Deduct:	\$	1,475,266,420.61 15,660,843.49	\$	16,092,121.75	\$	1,439,351,593.82 176,735,396.28	\$	14,432,395.75	\$	1,439,351,593.82 176,735,396.28	\$	14,432,395.75
Common Dividends												
Common Stock Without Par Value		-		•		(123,500,000.00)		-		(123,500,000.00)		-
EE Inc		(263,473.00)		263,473.00		(1,923,199.00)		1,923,199.00		(1,923,199.00)		1,923,199.00
Balance at End of Period	\$	1,490,663,791.10	\$	16,355,594.75 (13	1,490,663,791.10		16,355,594.75	\$	1,490,663,791.10	\$	16,355,594.75
Deferred Taxes Related to Undistributed Subsidiary Earnings				-				-				-
Balance of Undistributed Subsidiary Earnings				16,355,594.75				16,355,594.75				16,355,594.75
Statutory Tax Rate				38.9%				38.9%				38.9%
Deferred Taxes on Equity in Subsidiary			\$	6,362,326.36	B		\$	6,362,326.36			\$	6,362,326.36

January 26, 2012

Kentucky Utilities Company Rollforward of Investment in EEI

(a)			(b)	(c)		(d)		(e)		(f)	(g)	(h)		(i)
	Capital Stock Ownership (Initial		Capital Stock Beginning Ownership Balance (Initial Equity in		Earnings Dividends			Ending Balance Equity in Net Activity Earnings		Other Comprehensive Income		Ending llance Total nvestment		
Year			rm 1 p 224)	(Form 1 p 224)		orm 1 p	-	Form 1 p 25)	+(d)	-(e)	(c)+(f)		+(g)+(b)+(h)
	1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2010 2011	\$	1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800 1,295,800	\$ 848,998 824,714 861,260 860,638 827,586 757,829 500,132 5,882,212 9,526,459 12,085,671 14,342,514 16,248,287 21,207,068 20,755,587 10,671,369		2,436,136 2,480,168 2,167,436 2,333,723 2,242,280 1,802,856 6,967,101 3,644,247 2,559,212 2,256,843 29,405,773 26,358,781 29,548,519 765,782 3,761,027 1,923,199		2,460,420 2,443,622 2,168,058 2,366,775 2,312,037 2,060,553 1,585,021 - - 27,500,000 21,400,000 30,000,000 10,850,000		(24,284) 36,546 (622) (33,052) (69,757) (257,697) 5,382,080 3,644,247 2,559,212 2,256,843 1,905,773 4,958,781 (451,481) 10,084,218) 3,761,027 1,923,199	861,260 860,638 827,586 757,829 500,132 5,882,212 9,526,459 12,085,671 14,342,514 16,248,287 21,207,068 20,755,587	(3,262,97	4)	2,120,514 2,157,060 2,156,438 2,123,386 2,053,629 1,795,932 7,178,012 10,822,259 13,381,471 15,638,314 17,544,087 22,502,868 22,051,387 11,967,169 12,465,222 13,628,645

KENTUCKY UTILITIES COMPANY ANALYSIS OF THE EMBEDDED COST OF CAPITAL AT December 31, 2011

				***************************************		LONG-TE	RN	DEBT									
					_					Annual	ized Cost						
								Amortized Debt		Amo	ortized Loss-		Le	tter of Credi	t		Embedded
	Due	Rate		Principal		Interest		Issuance Exp/Discount		Pag	cquired Debt		an	d other fees		Total	Cost
Pollution Control Bonds -	000	Ivaro		Finicipal		increst		LXD/Diacount		Koa	equired Debi		<u>an</u>	<u>u onio: 1663</u>		John	_0031_
Mercer Co. 2000 Series A	05/01/23	0.110% *	\$	12,900,000	\$	14,190	\$			s	46,743		\$	156,549		\$ 217,482	1.69%
Carroli Co 2002 Series A	02/01/32	0 550% *	•	20,930.000	•	115,115	•	4,104		•	36,300		•	20,930		176,449	0.84%
Carroll Co. 2002 Series B	02/01/32	0 550%		2,400,000		13.200		2.856			4,164			2,400		22,620	0.94%
Muhlenberg Co. 2002 Series A	02/01/32	0.550%		2,400,000		13,200		1,140			12,744			2,400		29,484	1.23%
Mercer Co. 2002 Series A	02/01/32	0.550% *		7,400,000		40.700		3,180			12,900			7,400		64,180	0.87%
Carroll Co. 2002 Series C	10/01/32	0.080%		96,000,000		76,800		73,658			186,036			300,538		637,032	0.66%
Carroll Co. 2002 Series C	10/01/32	0 130%		50,000,000		65,000		,0,000			105,023			609,493		779,516	1.56%
Carroll Co. 2004 Series B	10/01/34	0.100%		54.000,000		54,000		47.920			100,020			658,985		760,905	1 41%
Carroll Co. 2007 Series A	02/01/26	5.750%		17.875.000		1,027,813		33.342			_			-	-	1.061,155	5.94%
Trimble Co. 2007 Series A	03/01/37	6.000%		8,927,000		535,620		16,072						_		551.692	6 18%
Carroll Co. 2008 Series A	02/01/32	0 110% *		77,947,405		85,742		34,400						951,225		1.071.367	1.37%
	02/01/32	0 11076		11,041,100		05,742		34,400			201,063			931,223	•	201,063	1.37 70
Called Bonds						-		•			201,003	1				201,003	
First Mortgage Bonds -																	
2010 due 2015	11/01/15	1.625%		250,000,000		4,062,500	1	461,126						-		4,523,626	1.81%
Debt discount on FMB	11/01/15	1.625%		(678,125)				175,000								175,000	-25 81%
2010 due 2020	11/01/20	3 250%		500,000,000		16,250,000		418,360						-		16,668,360	3 33%
Debt discount on FMB	11/01/15	3 250%		(1,677,375)				189.000								189,000	-11 27%
2010 due 2040	11/01/40	5 125%		750,000,000		38,437.500		249,641						-		38,687,141	5.16%
Debt discount on FMB	11/01/40	5 125%		(7,832,344)				271,250	••							271.250	-3 46%
Revolving Credit Facility	10/19/16							785,357	3&4					500,000		1,285.357	
Letter of Credit Facility	04/29/14							298,913								298,913	
Total External Debt			\$	1,840,591,561	\$	60,791,380	\$	3,065,319		\$	604,973		\$	3,209,920	_	\$ 67,671,593	3.68%
Notes Payable to PPL		7	\$	•	\$	-	\$	-		\$	•	\$-	\$	-		\$ -	
Total Internal Debt	•		\$		\$		\$			\$			\$		~	\$ -	0.00%
		Total	\$	1,840,591,561	\$	60,791,380	\$	3,065,319		\$	604,973		5	3,209,920	_	\$ 67,671,593	3.68%

SHORT-TERM DEBT															
		Annualized Cost										P			
	Rate		Principal		Interest	Expense		Loss		<u>Premium</u>		Total		Embedded <u>Cost</u>	
Notes Payable to Associated Company Revolving Credit Facility Payable	0 450% *	\$		\$		- \$ -		-	s _	:	\$	-	\$	-	0.000%
	Total	\$		\$		- \$			\$		<u>s</u>		<u>s</u>		0.00%
Embedded Cost of Total Debt		\$	1,840,591,561	\$	60,791,3	BO \$	3,065,3	19	\$	604,973	\$ 3,2	09,920	\$ 67,	571,593	3.68%

Composite rate at end of current month
 Debt discount shown on separate line.

¹ Series P and R bonds were redeemed in 2003, and 2005, respectively. They were not replaced with other bond series. The remaining unamortized expense is being amortized over the remainder of the original lives (due 5/15/07, 6/1/25, 6/1/35, and 6/1/36 respectively) of the bonds as loss on reacquired debt

² Fidelia Notes Payable were paid off on 11/1/2010 with PPL Notes Payable that were paid off with the new FMB issues on 11/16/2010

³ included setup fees for the Wachovia Credit Facility in Long-term Debt due to 4 year credit arrangement 4 Credit Facility amended effective October 19, 2011. New term of 5 years at lower interest rate

a - Letter of credit fee = (principal bal + 45 days interest)*2% L/C Fee and .25% L/C Fronting Fee. Rate based on company credit rating. Remarketing Fee = 10 basis points b - Remarketing fee = 10 basis points c - Remarketing fee = 25 basis points

Net Original Cost Kentucky Jurisdictional Rate Base <u>At December 31, 2011</u>

	Title of Account (1)	Kentucky Jurisdictional Rate Base (2)	Other Jurisdictional Rate Base (3)	Total Company Rate Base (4)
1	. Utility Plant at Original Cost	\$ 5,911,157,982	\$ 872,041,691	\$ 6,783,199,673
2	Deduct:			
3	Reserve for Depreciation	2,080,817,095	314,220,678	2,395,037,773
4	Net Utility Plant	3,830,340,887	557,821,013	4,388,161,900
5	Deduct:	,		
6	Customer Advances for Construction	2,998,149	157,790	3,155,939
7	Accumulated Deferred Income Taxes	416,040,136	59,901,626	475,941,762
8	Asset Retirement Obligation-Net Assets	47,120,453	7,247,837	54,368,290
9	Asset Retirement Obligation-Regulatory Liabilities	3,062,534	471,064	3,533,598
10	Investment Tax Credit (a)	87,006,521	14,401,246	101,407,767
11	Total Deductions	556,227,793	82,179,563	638,407,356
12	Add:			
13	Materials and Supplies (b)	115,624,987	17,611,966	133,236,953
14	Prepayments (b)(c)	6,956,836	810,868	7,767,704
15	Emission Allowances (b)	442,484	·68,059	510,543
16	Cash Working Capital (page 2)	95,623,543	7,917,443	103,540,986
17	Total Additions	218,647,850	26,408,336	245,056,186
18	Total Net Original Cost Rate Base	\$ 3,492,760,944	\$ 502,049,786	\$ 3,994,810,730
19	Percentage of Rate Base to Total Company Rate Base	87.43%	12.57%	6 100.00%

⁽a) Reflects investment tax credit treatment per Case No. 2007-00178.

⁽b) Average for 13 months.

⁽c) Excludes PSC fees.

Calculation of Cash Working Capital <u>At December 31, 2011</u>

Title of Account (1)	J	Kentucky urisdictional Rate Base (2)	J	Other urisdictional Rate Base (3)	Total Company Rate Base (4)		
Operating and maintenance expense for the							
12 months ended December 31, 2011	\$	859,662,729	\$	101,912,920	\$	961,575,649	
2. Deduct:							
3 Electric Power Purchased		94,674,385		14,440,563		109,114,948	
4. Total Deductions	\$	94,674,385	\$	14,440,563	\$	109,114,948	
5. Remainder (Line 1 - Line 4)	\$	764,988,344	\$	87,472,357	\$	852,460,701	
6. Cash Working Capital	\$	95,623,543	\$	7,917,443	\$	103,540,986	
**			200				

Kentucky Jurisdictional (12 1/2% of Line 5)
Other Jurisdictional comprised of FERC, Tennessee, and Virginia Jurisdictional methodologies

Net Original Cost Kentucky Jurisdictional Rate Base <u>At December 31, 2011</u>

Title of Account (1)	Kentucky Jurisdictional Rate Base (2)	Kentucky Jurisdictional ECR Rate Base (3) (Page 3 Col 2)	Kentucky Junsdictional ECR Roll-In Rate Base (4) (Page 3 Col 7)	Kentucky Jurisdictional Net ECR Rate Base (5) (3 - 4)	Kentucky Jurisdictional Base Rate Base (6) (2 - 5)	Other Jurisdictional Rate Base (7)	Total Company Rate Base (8) (5 + 6 + 7)	
1 Utility Plant at Original Cost	\$ 5,911,157,982	\$ 1,296,414,097	\$ 916,032,519	\$ 380,381,578	\$ 5,530,776,404	\$ 872,041,691	\$ 6,783,199,673	
2. Deduct								
3. Reserve for Depreciation	2,080,817,095	102,666,206	18,820,037	83,846,169	1,996,970,926	314,220,678	2,395,037,773	
4. Net Utility Plant	3,830,340,887	1,193,747,891	897,212,482	296,535,409	3,533,805,478	557,821,013	4,388,161,900	
5. Deduct:								
6. Customer Advances for Construction	2,998,149	-	-	-	2,998,149	157,790	3,155,939	
7. Accumulated Deferred Income Taxes	416,040,136	80,567,520	7,950,421	72,617,099	343,423,037	59,901,626	475,941,762	
8 Asset Retirement Obligation-Net Assets	47,120,453	-	-	-	47,120,453	7,247,837	54,368,290	
9. Asset Retirement Obligation-Regulatory Liabilities	3,062,534	-	-	-	3,062,534	471,064	3,533,598	
10. Investment Tax Credit (a)	87,006,521	23,299,260	20,382,067	2,917,193	84,089,328	14,401,246	101,407,767	
11. Total Deductions	556,227,793	103,866,780	28,332,488	75,534,292	480,693,501	82,179,563	638,407,356	
12. Net Plant Deductions	3,274,113,094	1,089,881,111	868,879,994	221,001,117	3,053,111,977	475,641,450	3,749,754,544	
13. Add			•					
14. Materials and Supplies (b)	115,624,987	548,669	598,043	(49,374)	115,674,361	17,611,966	133,236,953	
15 Prepayments (b)(c)	6,956,836	-	-	-	6,956,836	810,868	7,767,704	
16 Emission Allowances (b)	442,484	330,044	3,642	326,402	116,082	68,059	510,543	
17 Cash Working Capital (page 2)	95,623,543	2,396,300	587,238	1,809,062	93,814,481	7,917,443	103,540,986	
18 Total Additions	218,647,850	3,275,013	1,188,923	2,086,090	216,561,760	26,408,336	245,056,186	
19. Total Net Original Cost Rate Base	\$ 3,492,760,944	\$ 1,093,156,124	\$ 870,068,917	\$ 223,087,207	\$ 3,269,673,737	\$ 502,049,786	\$ 3,994,810,730	
20 Percentage of Rate Base to Total Company Rate Base	87.43%			5 58%	81.85%	12.57%	100 00%	

⁽a) Reflects investment tax credit treatment per Case No. 2007-00178.

⁽b) Average for 13 months.

⁽c) Excludes PSC fees.

Calculation of Cash Working Capital At December 31, 2011

Title of Account (1)	Kentucky Jurisdictional Rate Base (2)		Kentucky Jurisdictional ECR Rate Base (3)		Kentucky Junsdictional ECR Roll-In Rate Base (4)		Kentucky Jurisdictional Net ECR Rate Base (5)		Kentucky Jurisdictional Base Rate Base (6)		Other Jurisdictional Rate Base (7)		Total Company Rate Base (8) (5 + 6 + 7)	
Operating and maintenance expense for the The months ended December 31, 2011	\$	859,662,729	s	19,170,400	\$	7,031,896	s	(3 - 4) 12,138,504	s	(2 - 5) 847,524,225	s	101,912,920	s	961,575,649
Deduct: Electric Power Purchased		94,674,385		-		-		_		94,674,385		14,440,563		109,114,948
Total Deductions	<u> </u>	94,674,385	\$	-	\$	-	\$	-	s	94,674,385	s	14,440,563	S	109,114,948
5. Remainder (Line 1 - Line 4)	\$	764,988,344	s	19,170,400	\$	7,031,896	\$	12,138,504	\$	752,849,840	S	87,472,357	s	852,460,701
6 Cash Working Capital	s	95,623,543	s	2,396,300	s	878,987	S	1,517,313	\$	94,106,230	s	7,917,443	S	103,540,986

Kentucky Jurisdictional (12 1/2% of Line 5)
Other Jurisdictional comprised of FERC, Tennessee, and Virginia Jurisdictional methodologies

Net Original Cost Kentucky Jurisdictional Rate Base <u>At December 31, 2011</u>

Title of Account (1)	Kentucky Jurisdictional ECR Rate Base at December 31, 2011 (2)	Other Jurisdictional ECR Rate Base at December 31, 2011 (3)	Total Company ECR Rate Base at December 31, 2011 (4)	Kentucky Jurisdictional ECR Roll-In Rate Base (1) (5)	Kentucky Jurisdictional ECR '01 & '03 Rate Base at February 28, 2009 (6)	Kentucky Jurisdictional ECR Post '03 Rate Base at February 28, 2009 (7) (5 - 6)
1. Utility Plant at Original Cost	\$ 1,296,414,097	\$ 199,408,050	\$ 1,495,822,147	\$ 1,125,173,257	\$ 209,140,738	\$ 916,032,519
Deduct: Reserve for Depreciation	102,666,206	15,791,612	118,457,818	43,963,224	25,143,187	18,820,037
4. Net Utility Plant	1,193,747,891	183,616,438	1,377,364,329	1,081,210,033	183,997,551	897,212,482
5. Deduct:						
6. Customer Advances for Construction	-	-	-		-	7.050.421
 Accumulated Deferred Income Taxes 	80,567,520	12,392,500	92,960,020	37,630,824	29,680,403	7,950,421
8. Asset Retirement Obligation-Net Assets	-	-	-	-	-	-
9. Asset Retirement Obligation-Regulatory Liabilities	-	-	-	-	-	
10. Investment Tax Credit (a)	23,299,260	3,856,371	27,155,631	20,382,067	-	20,382,067
11. Total Deductions	103,866,780	16,248,871	120,115,651	58,012,891	29,680,403	28,332,488
12. Net Plant Deductions	1,089,881,111	167,367,567	1,257,248,678	1,023,197,142	154,317,148	868,879,994
13. Add:				200.042		598,043
14. Materials and Supplies	548,669	83,453	632,122	598,043	•	370,043
15. Prepayments	-	-			-	3,642
16. Emission Allowances	330,044	50,766	380,810	3,642	201 740	587,238
17. Cash Working Capital	2,396,300	368,364	2,764,664	878,987	291,749	301,238
18. Total Additions	3,275,013	502,583	3,777,596	1,480,672	291,749	1,188,923
19. Total Net Original Cost Rate Base	\$ 1,093,156,124	\$ 167,870,150	\$ 1,261,026,274	\$ 1,024,677,814	\$ 154,608,897	\$ 870,068,917

⁽¹⁾ ECR Roll-in pursuant to Commission's Order dated December 2, 2009 in Case No. 2009-00310.

⁽a) Reflects investment tax credit treatment per Case No. 2007-00178.

KENTUCKY UTILITIES COMPANY ELECTRIC COST OF SERVICE STUDY JURISDICTIONAL SEPARATION

12 MONTHS ENDING DECEMBER 31, 2011

RATE BASE: END OF YEAR

ALLOCATION METHOD: AVG 12 CP (COMBINED CO SYS)

ALLOCATION METHOD: AVG 12 CP (COMBINED C	(SYS)		12						
•	ALLOC	TOTAL KENTUCKY UTILITIES (1)	KENTUCKY STATE JURISDICTION (2)	VIRGINIA STATE JURISDICTION (3)	FERC & TENNESSEE JURISDICTION (4)	TENNESSEE STATE JURISDICTION (5)	FERC JURISDICTION (6)	PRIMARY (7)	TRANSMISSION (8)
SUMMARY OF RESULTS AS ALLOCATED									
ELEMENTS OF RATE BASE								110 700 070	308,574,693
1 PLANT IN SERVICE		6,443,488,241	5,614,477,615	376,456,372	452,554,254	183,489	452,370,765	143,796,072	113,357,566
2 LESS RESERVE FOR DEPRECIATION		2,395,037,773	2,080,817,095	147,816,116	166,404,562	111,392	166,293,170	52,935,603	195,217,127
		4,048,450,468	3,533,660,520	228,640,256	286,149,692	72,097	286,077,595	90,860,468	155,211,121
3 NET PLANT IN SERVICE						2.024	25,528,716	8,047,395	17,481,321
4 CONST WORK IN PROGRESS		339,711,432	296,680,367	17,499,717	25,531,348	2,631 74,728	311,606,312	98,907,863	212,698,448
5 NET PLANT		4,388,161,900	3,830,340,887	246,139,973	311,681,040	14,120	311,000,312	30,307,000	2.2.0
0 112									
ADD:			07.450.040	2 404 907	3,169,067	1,064	3,168,003	1,003,042	2,164,961
6 MATERIALS & SUPPLIES		42,804,186	37,153,312	2,481,807	7,752,297	377	7,751,920	2,517,133	5,234,787
7 FUEL INVENTORY		90,432,767	78,471,675	4,208,795	430,942	187	430,755	137,945	292,810
8 PREPAYMENTS		7,767,704	6,956,836	379,925	7,917,443	1,378	7,916,065	2,562,353	5,353,712
9 WORKING CASH		103,540,986	95,623,543	-	42,704	4	42,700	13,339	29,361
10 EMISSION ALLOWANCES		510,543	442,484	25,355		3,009	19,309,443	6,233,812	13,075,630
11 TOTAL ADDITIONS		245,056,186	218,647,851	7,095,883	19,312,452	3,005	13,003,440	0,200,27	,,
DEDUCT:					20 200 200	13.161	32,490,162	10,325,360	22,164,801
12 RESERVE FOR DEF TAXES		475,941,762	416,040,136	27,398,303	32,503,323		9,254,807	2,891,115	
13 RESERVE FOR ITC		101,407,768	87,006,521	5,145,678	9,255,568	762	5,254,607	2,001,110	-
14 CUSTOMER ADVANCES		3,155,939	2,998,149	157,790	•	-	-	-	_
15 CUSTOMER DEPOSITS-VIRGINIA		22,862,412	-	514,229	-	-	•	•	
16 DEFERRED FUEL-VIRGINIA		(2,924,152)	-	(2,924,152)	-	•	•	-	-
		61,769,169	-	3,359,730	0	-	0		
		662,212,898	506,044,807	33,651,578	41,758,891	13,923	41,744,968	13,216,476	28,528,493
18 TOTAL DEDUCTIONS								24 007 200	407.045.596
19 NET ORIGINAL COST RATE BASE		3,971,005,187	3,542.943,931	219,584,278	289,234,600	63,815	289,170,786	91,925,200	197,245,586
DEVELOPMENT OF RETURN									
		1,547,516,986	1,365,943,770	74,868,452	106,704,764	5,995	106,698,770	34,372,405	72,326,364
20 OPERATING REVENUES		1,011 010,000							
OPERATING EXPENSES									40 440 957
		981,575,649	859,662,729	49,236,473	72,676,447			23,522,084	
21 OPERATION & MAINT EXPENSE 22 DEPRECIATION & AMORT EXP		189,190,233	165,252,726	10,074,584	13,862,923			4,394,303	
		(5,855,640)	(5,077,896	i) (289,712)	(488,032			(152,483	
		28,115,767	24,910,482	1,462,299	1,742,986			556,18	
24 TAXES OTHER THAN INC TAX 25 INCOME TAXES		109,076,966	99,407,607	4,070,706	5,620,187			1,801,29	
26 (GAIN) / LOSS DISPOSITION ALLOWANCES	3	(3,293)	(2,854	(164)	(275) (0) (275)	(86	5) (189)
27 (GAIN) / LOSS DISPOSITION ACCOMMINGED 27 (GAIN) / LOSS DISPOSITION PROPERTY-V.		(46,988)		(2,745)	-	-	-	-	-
27 (GAIN) / LOSS DISPOSITION PROPERTY-V. 28 CHARITABLE CONTRIBUTIONS-VA	••	644,462	-	17,527	-	-	-	-	-
29 INTEREST ON CUSTOMER DEPOSITS-VA		1,363,673	•	1,921	-	•		70.40	1 161,669
30 ACCRETION EXPENSE		2,827,117	2,452,337		235,181			73,49	
31 TOTAL OPERATING EXPENSES		1,306,887,946	1,146,605,130	64,710,487	93,649,417	11,478	93,637,940	30,194,78	5 63,443,154
31 TOTAL OF LIMITING DIE LINGER								4 477 60	0 8.883,210
32 RETURN		240,629,040	219,338,639					4,177,62 4,54	•
33 RATE OF RETURN		6.06%	6.199	% 4.63%	4.519	% -8.59°	% 4.52%	4.54	70 4.5078
TO TOTAL OF THE PARTY									

Account Balance for KU

P	eriod	Name	DEC-2011	

			Balance SUM			
		Company	0110	Sum		
Account	Account					
101107	PLANT IN SERVICE - ELECTRIC ARO ASSET RETIREMENT COST-EQUIPMENT		57,517,877.87	57,517,877.87	7 0.10 8450	
101125	PLANT IN SERVICE - ELECTRIC ARO ASSET RETIREMENT COST-LAND/BUILDING		374,327.29	374,327.29	KATEDUST	
108107	ACCUM. DEPR ELECTRIC ARO ASSET RETIREMENT COST-EQUIPMENT		-3,517,277.38	-3,517,277.38	Rafe Buse Juris %	84.669
108125	ACCUM. DEPR ELECTRIC ARO ASSET RETIREMENT COST-LAND/BUILDING	•	-6,637.64	-6,637.64	July 3	Mangerd
108799	RWIP-ARO LEGAL		410,549.80	410,549.80	-	
182317	OTHER REGULATORY ASSETS ARO - GENERATION	ta i diget al	7,387,106.47	7,387,106.47		
182318	OTHER REG ASSETS ARO - TRANSMISSION		8,472.85	8,472.85		
182325	OTHER REGULATORY ASSETS ARO - DISTRIBUTION	· ••	25,712.72	25,712.72		
230012	ASSET RETIREMENT OBLIGATIONS - STEAM	1-1	-60,261,506.99	-60,261,506.99		
230013	ASSET RETIREMENT OBLIGATIONS - TRANSMISSION		-545,748.17	-545,748.17		
230015	ASSET RETIREMENT OBLIGATIONS - DISTRIBUTION		-806,034.02	-806,034.02		
230022	ASSET RETIREMENT OBLIGATIONS - STEAM - ST		-176,293.00	-176,293.00	- 1 0 -2	
254014	REGULATORY LIABILITY ARO - GENERATION		-3,533,597.56	-3,533,597.56	7 Rate Base	
254015	REGULATORY LIABILITY ARO - TRANSMISSION		0.00	0.00	J ' "	
	Sum		-3,123,047,76	-3,123,047.76		

KENTUCKY UTILITIES COMPANY ENVIRONMENTAL SURCHARGE REPORT

ENVIRONMENTAL SURCHARGE REPORT
Revenue Requirements of Environmental Compliance Costs
For the Expense Month of December 2011

Determination of Environmental Compliance Rate Base

19,369,355	69	\$ 1,241,656,918		Environmental Compliance Rate Base
•		238,573,469		Subtotal
			27,155,631	Pollution Control Deferred Investment Tax Credit
			92,960,020	Pollution Control Deferred Income Taxes
			118,457,818	Accumulated Depreciation on Eligible Pollution Control Plant
				Deductions:
115,073		3,662,522		Subtotal
	115,073		2,649,591	Cash Working Capital Allowance
			380,810	Net Emission Allowance Inventory
			69,415	Less: Allowance Inventory Baseline
			450,225	Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33
			76,473	Less: Limestone Inventory in base rates
			\$ 708,595	Inventory - Limestone
				Additions:
19,254,282	\$	\$ 1,476,567,865		Subtotal
	19,254,282		160,117,611	Eligible Pollution CWIP Excluding AFUDC
	\$ -		\$ 1,316,450,254	Eligible Pollution Control Plant
ompliance Plan	2011 Enviromental Compliance Plan	tal Compliance Plans	Pre-2011 Enviromental Compliance Plans	

Determination of Pollution Control Operating Expenses

\$ 936,843	\$ 5,249,209 \$	Total Pollution Control Operations Expense
		Construction Monitoring Consultant Fee
16,258		Monthly Surcharge Consultant Fee
	5,640	Net Recoverable Emission Allowance Expense
	4,862	Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)
	0	Add KU Current Month TC2 SQ Emission Allowance Expense not reflected on ES Form 2.31
	10,502	Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33
ſ	162,352	Monthly Taxes Other Than Income Taxes
	4,017,862	Monthly Depreciation & Amortization Expense
\$ 920,585	\$ 1,063,355	Monthly Operations & Maintenance Expense
Plan Compliance Plan	Compliance Plan	
Environmental 2011 Environmental	Environmental	
	Pre-2011	

Determination of Beneficial Reuse Operating Expenses

S	Net Beneficial Reuse Operations Expense
•	Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)
\$	Total Monthly Beneficial Reuse Expense
Compliance Plan	
Environmental	

Proceeds From By-Product and Allowance Sales

	Total	Amount in	Net
	Proceeds	Base Rates	Proceeds
	(I)	(2)	(1) - (2)
Allowance Sales	\$ -	\$ -	·
Scrubber By-Products Sales	53,014	50,597	2,416
Total Proceeds from Sales	\$ 53,014	\$ 50,597	\$ 2,416

Kentucky Utilities Company Calculation of ECR Roll-in At February 28, 2009

	тот	٠	Eliminated Plans	(2001 & 2003)	Post Rate Case ECR	Plans (05 & 06)
Calculation of Revenue Requirement	Environmental Compliance Plans at Feb. 28, 2009	Jurisdictional Basis	Environmental Compliance Plans at Feb. 28, 2009	Jurisdictional Basis	Environmental Compliance Plans at Feb. 28, 2009	Jurisdictional Basis
Environmental Compliance Rate Base Pollution Control Plant in Service Pollution Control CWIP Excluding AFUDC	688,693,392 609,548,490	564,353,691 499,497,954	240,167,567 1,142,172	196,806,670 935,959	448,525,825 608,406,318	367,547,021 498,561,994
Subt		1,063,851,644	241,309,739	197,742,629	1,056,932,143	866,109,015
Additions:		504.000	_	_	689,005	564,609
Limestone, net of amount in base rates	689,005 4,202	564,609 3,443		_	4,202	3,443
Emission Allowances, net of amount in base rates	1,014,107	831,016	336,597	275,826	677,510	555,189
Cash Working Capital Allowance			336,597	275,826	1,370,717	1,123,242
Subi	total 1,707,314	1,399,068	330,331	2,0,020	April 1	
Deductions: Accumulated Depreciation on Pollution Control Plant	50,725,431	41,567,241	29,010,589	23,772,891	21,714,842	17,794,350
Pollution Control Deferred Income Taxes	43,419,013	35,579,955	34,245,697	28,062,830	9,173,316	7,517,126
Pollution Control Deferred Investment Tax Credit	23,755,600	19,466,661	-		23,755,600	19,466,661
Sub	total 117,900,044	96,613,857	63,256,286	51,835,721	54,643,758	44,778,136
Environmental Compliance Rate Base	\$ 1,182,049,152	\$ 968,636,855	\$ 178,390,050	\$ 146,182,734	\$ 1,003,659,102	\$ 822,454,121
Rate of Return – Environmental Compliance Rate Base			11.12%		11.12%	
Return on Environmental Compliance Rate Base	\$ 131,443,866	\$ 107,712,418	\$ 19,836,974	\$ 16,255,520	\$ 111,606,892	\$ 91,456,898
Pollution Control Operating Expenses			0.050.090	4,960,479	18,432,974	15,105,004
12 Month Depreciation and Amortization Expense	24,486,356	20,065,483	6,053,383 326,224	267,326	1,042,365	854,172
12 Month Taxes Other than Income Taxes	1,368,589	1,121,498 6,648,121	2,692,772	2,206,608	5,420,078	4,441,513
12 Month Operating and Maintenance Expense	8,112,850 rates 478,162	• •	2,002,772	-	478,162	391,833
12 Month Emission Allowance Expense, net of amounts in base	rates 470,102					00 700 500
Total Pollution Control Operating Expenses	\$ 34,445,958	\$ 28,226,935	\$ 9,072,379	\$ 7,434,412	\$ 25,373,579	\$ 20,792,523
Gross Proceeds from By-Product & Allowance Sales	300,541	246,280	-	-	300,541	246,280
Total Company Environmental Surcharge Gross Revenue Requi	rement	107 710 110	19,836,974	16,255,520	111,606,892	91,456,898
Return on Environmental Compliance Rate Base	131,443,866		9,072,379	7,434,412	25,373,579	20,792,523
Pollution Control Operating Expenses	34,445,958	, ,	5,012,013		(300,541)	(246,280)
Less Gross Proceeds from By-Product & Allowance Sales	(300,541	(240,280)				
Total Company Environmental Surcharge Gross Revenue Requiren	nent \$ 165,589,283	\$ 135,693,073	\$ 28,909,353	\$ 23,689,932	\$ 136,679,930	\$ 112,003,141
Jurisdictional Allocation Ratio	81.9456	<u>%</u>	81.9456%	<u>6</u>	81.9456%	=
Jurisdictional Revenues for 12 Months	\$ 1,104,927,14	7	\$ 1,104,927,147		\$ 1,104,927,147	
	nent \$ 165,589,28	3	\$ 28,909,353	3	\$ 136,679,930	
Total Company Environmental Surcharge Gross Revenue Requirer	nent \$ 165,569,266 81,9456		81.94569		81.9456%	<u>6</u>
Jurisdictional Allocation Ratio Jurisdictional Environmental Surcharge Gross Revenue Requir			\$ 23,689,932	2	\$ 112,003,141	-
Junsaictional Environmental Surcharge Gross Nevertae Nedan	1,001,000				formal Conforma	Question No. 3(b)

Attachment to Response to Informal Conference Question No. 3(b)
Page 1 of 1
Conroy

Net Original Cost Kentucky Jurisdictional Rate Base <u>At December 31, 2011</u>

19. Total Net Original Cost Rate Base

Title of Account (1)	ECR RATE BASE JURIS FACTORS ALLOCATIONS (PER PSC 98-474)
Utility Plant at Original Cost	0.86669 DEMPROD
2. Deduct:	
3. Reserve for Depreciation	0.86669 STMSYS
4. Net Utility Plant	
5. Deduct:	
6. Customer Advances for Construction	
7. Accumulated Deferred Income Taxes	0.86669 PRODSYS
8. Asset Retirement Obligation-Net Assets	
9. Asset Retirement Obligation-Regulatory Liabilities	
10. Investment Tax Credit (a)	0.85799 PRODPLT
11. Total Deductions	
12. Net Plant Deductions	
13. Add:	
14. Materials and Supplies	0.86798 M&S
15. Prepayments	
16. Emission Allowances	0.86669 DEMPROD
17. Cash Working Capital	0.86676 EXP5017 STEAM OPERATING EXP
18. Total Additions	

86.6878%

Calculation of Excess Return Amount at December 31, 2011

	ELECTRIC (1)
1. Actual Earned Rate of Return on Common Equity (Section 2.2)	9.54%
2. Threshold Rate of Return on Common Equity (Section 2.3)	10.75%
3. Difference (Lines: 1 - 2)	-1.21%

4. Actual ROE is less than 10.75%. There is no excess return amount.

Kentucky Jurisdictional Rate of Return on Common Equity For the Twelve Months Ended December 31, 2011

	Adjusted Kentucky Jurisdictional Capitalization (Exhibit 2 Col 12) (1)	Percent of Total (2)	Annual Cost Rate (Exhibit 2 Col 14) (3)	Weighted Cost of Capital (Col 2 x Col 3) (4)	
Short Term Debt	\$0	0.00%	0.45%	0.00%	<u> </u>
2. Long Term Debt	\$1,504,883,430	46.46%	3.68%	1.719	
3. Common Equity	\$1,733,881,002	53.54%	9.54% (a)	5.11%	
4. Total Capitalization	\$3,238,764,432	100.00%	, ,	6.82%	
5. Pro-forma Net Operating	g Income			\$220,905,799	(c)
6. Net Operating Income /	Total Capitalization			6.82%	(d)

Notes: (a) - Column 4, Line 3 / Column 2, Line 3

- (b) Column 4, Line 4 Line 1 Line 2
- (c) Exhibit 1, Line 24, Column 4
- (d) Column 4, Line 5 divided by Column 1, Line 4

Acquisition Savings Sharing Deferral Methodology ECR Revenue Requirement Method

Index of Schedules

Settlement Agreement Section	Supplemental Exhibit	Reference Schedule	<u>Description</u>
Section 2.2.1	Exhibit 1		Adjustments to Operating Revenues, Operating Expenses and Net Operating Income
	Exhibit 1	1.00	Adjustment to eliminate unbilled revenues
	Exhibit 1	1.01	To adjust mismatch in fuel cost recovery
	Exhibit 1	1.02	To adjust base rates and FAC to reflect a full year of the FAC roll-in
	Exhibit I	1.03	Adjustment to eliminate Environmental Surcharge revenues and expenses
	Exhibit 1	1.04	Off-system sales revenue adjustment for the ECR calculation
	Exhibit 1	1.05	To eliminate net brokered and financial swap revenues and expenses
	Exhibit 1	1.06	To eliminate ECR, MSR, FAC, and DSM accruals
	Exhibit 1	1.07	To eliminate DSM revenue and expenses
	Exhibit 1	1.08	Adjustment to annualize year-end customers
	Exhibit 1	1.09	Adjustment to reflect annualized depreciation expenses
	Exhibit 1	1.10	Adjustment to reflect increases in labor and labor related costs
	Exhibit 1	1.11	Adjustment for pension, post retirement, and post employment costs
	Exhibit 1	1.12	Adjustment to reflect normalized storm damage expense
	Exhibit I	1.13	Adjustment for injuries and damages FERC account 925
	Exhibit 1	1.14	Adjustment to eliminate advertising expenses pursuant to Commission Rule 807 KAR 5:016
	Exhibit 1	1.15	Adjustment to remove out-of-period items
	Exhibit I	1.18	Calculation of Composite Federal and Kentucky Income tax rate
	Exhibit I	1.19	Adjustment to federal and state income taxes resulting from interest synchronization
	Exhibit 1	1.20	Prior income tax true-ups and adjustments
	Exhibit 1	1.21	Calculation of Revenue Gross Up Factor
	Exhibit 1	Allocators	Kentucky Jurisdictional Allocators
Section 2.2.2	Exhibit 2		Capitalization at December 31, 2011
Section 2.2.2	Exhibit 3		Net Original Cost Kentucky Jurisdictional Rate Base
Section 2.4	Exhibit 8		Calculation of Excess Return Amount at December 31, 2011
Section 2.2.3	Exhibit 9		Kentucky Jurisdictional Rate of Return on Common Equity

Adjustments to Operating Revenues, Operating Expenses and Net Operating Income For the Twelve Months Ended December 31, 2011

	Reference Schedule (1)	Operating Revenues (2)	Operating Expenses (3)	Net Operating Income (4)
1. Jurisdictional amount per books		1,365,943,770	1,146,605,130	\$ 219,338,640
2. Revenue and Expense Adjustments:				
3. Adjustment to eliminate unbilled revenues	1.00	14,834,557	-	14,834,557
4. To adjust mismatch in fuel cost recovery	1.01	(9,163,730)	(10,060,372)	896,642
5. To adjust base rates and FAC to reflect a full year of the FAC roll-in	1.02	2,733,478	-	2,733,478
6. Adjustment to eliminate Environmental Surcharge revenues and expenses	1.03	(168,477,042)	(61,888,868)	(106,588,174)
7. Off-system sales revenue adjustment for the ECR calculation	1.04	(4,204,844)	-	(4,204,844)
8. To eliminate net brokered and financial swap revenues and expenses	1.05	297,367	(5,641)	303,008
9. To eliminate rate mechanisms revenue accruals	1.06	(9,317,804)	-	(9,317,804)
10. To eliminate DSM revenue and expenses	1.07	(17,120,990)	(12,541,915)	(4,579,075)
11. Adjustment to annualize year-end customers	1.08	(13,701,571)	(7,542,566)	(6,159,006)
12. Adjustment to reflect annualized depreciation expenses	1.09	•	3,629,021	(3,629,021)
13. Adjustment to reflect increases in labor and labor related costs	1.10	-	2,781,358	(2,781,358)
14. Adjustment for pension, post retirement, and post employment costs	1.11	-	(5,383,324)	5,383,324

Adjustments to Operating Revenues, Operating Expenses and Net Operating Income For the Twelve Months Ended December 31, 2011

	Reference Schedule (1)	Operating Revenues (2)	Operating Expenses (3)	Net Operating Income (4)
15. Adjustment to reflect normalized storm damage expense	1.12	-	(218,790)	218,790
16. Adjustment for injuries and damages FERC account 925	1.13	-	(854,518)	854,518
17. Adjustment to eliminate advertising expenses pursuant to Commission Rule 807 KAR 5:016	1.14	-	(787,057)	787,057
18. Adjustment to remove out-of-period items	1.15	6,057	18,185	(12,128)
19. Total of above adjustments		(204,114,522)	(92,854,486)	(111,260,036)
20. Federal and state income taxes corresponding to base revenue and expense adjustments and above adjustments -	36.7293 % 1.18		(40,864,989)	40,864,989
21. Federal and state income taxes corresponding to annualization and adjustment of year-end interest expense	1.19		336,169	(336,169)
22. Prior income tax true-ups and adjustments	1.20		347,815	(347,815)
23. Total adjustments		(204,114,522)	(133,035,491)	(71,079,031)
24. Adjusted Net Operating Income		1,161,829,248	1,013,569,639	\$ 148,259,609

KENTUCKY UTILITIES COMPANY ELECTRIC COST OF SERVICE STUDY JURISDICTIONAL SEPARATION

		JURISDIC HONAL SEP						
		12 MONTHS ENDING DECE	MBER 31, 2011 ·					
RATE BASE: END OF YEAR ALLOCATION METHOD: AVG 12 CP (COMBINED CO SYS)	TOTAL KENTUCKY	KENTUCKY	/IRGINIA STATE RISDICTION J	TENNESSEE	ENNESSEE STATE IRISDICTION JUI (5)	FERC RISDICTION PR (6)	RIMARY TR (7)	ANSMISSION (8)
ALLOC	UTILITIES (1)	(2)	(3)	()				
SUMMARY OF RESULTS AS ALLOCATED							143,796,072	308,574,693
			150 070	452,554,254	183,489	452,370,765	140,100,00	
ELEMENTS OF RATE BASE	6,443,488,241	5,614,477,615	376,456,372	166,404,552	111,392	166,293,170	52,935,603 90,860,468	113,357,566 195,217,127
1 PLANT IN SERVICE	222 227 773	2,080,817,095	147,816,116 228,640,256	286,149,692	72,097	286,077,595		47 401 321
	2,395,037,773 4,048,450,468	3,533,660,520	228,840,250		2,631	25,528,716	8,047,395	17,481,321 212,698,448
2 LESS RESERVE FOR DEPRECIATION 3 NET PLANT IN SERVICE	4,040,400,100	296,680,367	17,499,717	25,531,348 311,681,040	74,728	311,606,312	98,907,863	212,000
	339,711,432	3,830,340,887	246,139,973	311,661,040				- 101.001
4 CONST WORK IN PROGRESS	4,388,161,900				1.064	3,168,003	1,003,042	2,164,961 5,234,787
5 NET PLANT	A.	37,153,312	2,481,807	3,169,067	377	7,751,920	2,517,133 137,945	292,810
400	42,804,186	78,471,675	4,208,795	7,752,297 430,942	187	430,755	2,562,353	5,353,712
ADD: 6 MATERIALS & SUPPLIES	90,432,767	6,956,836	379,925	7,917,443	1,378	7,916,065 42,700	13,339	29,361
7 FUEL INVENTORY	7,767,704 103,540,986	95,623,543	25,355	42,704	4 3,009	19,309,443	6,233,812	13,075,630
8 PREPAYMENTS	510,543	442,484 218,647,851	7,095,883	19,312,452	3,003			
9 WORKING CASH 10 EMISSION ALLOWANCES	245,056,186	218,041,50				20, 400, 460	10,325,360	22,164,801
10 EMISSION ALLOWANDES 11 TOTAL ADDITIONS			27 209 303	32,503,323	13,161	32,490,162 9,254,807	2,891,115	6,363,691
11 12	475,941,762	416,040,136	27,398,303 5,145,678	9,255,568	762	3,201,001	-	-
DEDUCT: 12 RESERVE FOR DEF TAXES	101,407,768	87,006,521 2,998,149	157,790	-			-	
	3,155,939	2,550,145	514,229			-	-	-
ALIOTOMED ADVANCES	22,862,412	-	(2,924,152)		-	0 41,744,968	13,216,476	28,528,493
CUSTOMER DEPOSITS-VIRGINIA	(2,924,152) 61,769,169	-	3,359,730 33,651,578		13,923	41,744,500		
16 DEFERRED FUEL-VIRGINIA 17 OPEB UNFUNDED-VIRGINIA	662,212,898	506,044,807	33,031,010		63,815	289,170,786	91,925,200	197,245,586
THE PERIODIS	33212	3,542,943,931	219,584,278	289,234,600	63,615			
	3,971,005,187	3,542,545,551					34,372,40	72,326,364
19 NET ORIGINAL COST RATE BASE			/	2 106,704,764	5,995	106,698,770	34,312,40	
	2 2 2 2 2 C 2 C 2 C 2 C 2 C 2 C 2 C 2 C	1,365,943,770	74,868,452	2 (00,704,70				
DEVELOPMENT OF RETURN	1,547,516,986				14 505	72,664,941	23,522,08	
20 OPERATING REVENUES		859,662,729	49,236,47	72,676,44		10 050 026	4,394,30	
OPERATING EXPENSES	981,575,649	165,252,726	40.074.58	34 13,862,92	.3		(152,48	4400 760
OPERATION & MAINT EXPENSE	189,190,233	(5,077,896	6) (289,71		121	3 1,742,450	556,18 1,801,29	0 000 101
DEPRECIATION & AMORT EXP	(5,855,640)	24,910,482	2 1,462,29	4		9) 5,624,416		86) (189)
DECULATORY CREDITS	28,115,767	99,407,60		64) (2	75) (0) (275)	;	•
23 REGOLD THER THAN INC TAX	109,076,966 (3,293)	(2,85	(2,7	04)		-		
25 INCOME TAXES 26 (GAIN) / LOSS DISPOSITION ALLOWANCES	(46,988)	-	17,5		_	•	73,4	161,669
(CAIN) / LOSS DISPOSITION PROFESSION	644,462	-	1,9			21 235,160		101
	1,363,673	2,452,33	139,5	299		78 93,637,940	30,134,	
INTEREST ON CUSTOMER DEPOSITORY	2,827,117 1,306,887,946	1,146,605,13	64,710,4			13,060,830	4,177.	
30 ACCRETION EXPENSE 31 TOTAL OPERATING EXPENSES	1,300,000,000	219,338,6		965 13,055,		4 505		54% 4.50%
31 TOTAL OPERATING EXPERIENCE	240,629,040			.63% 4.	51% -6.5			
32 RETURN	6.05%	0.1						
33 RATE OF RETURN								

Adjustment to Eliminate Unbilled Revenues

1. Unbilled revenues at December 31, 2010	\$ 82,840,000
2. Unbilled revenues at December 31, 2011	 (68,005,443)
3. Increase/(Decrease) in book revenues due to unbilled revenues	\$ 14,834,557

Louisville Gas & Electric and Kentucky Utilities Companies Revenue Component Variances 12 Months Ending December 2011 vs. Budget (in whole dollars, except for price per unit data)

KU (Electric) (KY and TN only)	BILLED REVENUES													
	KWH	Cust Charge Revenue	Demand Revenue	Demand Rev. (Demand ECR)	Energy Rev. (excl fuel)	Energy Rev. (Base ECR)	Energy Rev. (Base Fuel)	FAC Revenue	DSM Revenue	ECR Revenue	MSR Revenue	STOD, ESM & VDT Revenue	Total Revenue	\$/MWH
TOTAL Ultimate Consumers:		-							-					
Actual	18,507,215,314				\$ 389,119,187		\$ 501,801,750				\$ 384		\$ 1,314,289,515	
Budget								\$ 18,355,210 \$						\$ 75.60
Vanance	121,356,452	\$ (7,496,259)	\$ (23,010,352)	\$ 8,379,087	\$ 1,281,687	\$ 302,993	\$ (4,544,804)	\$ (8,846,193) \$	(6,533,148)	(35,143,752)	\$ 384	\$ 12	\$ (75,610,343)	\$ (4.58)
Dollars per MWH - Actual		\$ 3.83 \$ 4.26				•	\$ 27.11 \$ 27.54	\$ 051 \$ \$ 1,00 \$			\$ - \$ -			
Wholesale-Municipals:														
Actual	1,756,275,201	\$ 312,864	\$ 40.350,276	s -	\$ 6,989,864	\$ -	\$ 43,081,431	\$ 5,483,169 \$!		\$ -	s -	\$ 96,217,604	\$ 54.79
Budget	2,019,073,644	\$ -	\$ 48,912,880	\$ -	\$ 8,000,031	\$	\$ 49,527,878	\$ 1,807,391 \$	- :			•		\$ 53.61
Variance	(262,798,443)	\$ 312,864	\$ (8,562,604)	\$ -	\$ (1,010,167)	\$ -	\$ (6,446,447)	\$ 3,675,778 \$	- !	\$ -	\$ -	\$ -		\$ 1.17
Dollars per MWH - Actual		\$ 0.18	\$ 22.97	\$ -	\$ 3.98	\$ -	\$ 24.53	\$ 3,12 \$	- ;		\$ -	\$.		
Dollars per MWH - Budget		\$ -	\$ 24.23	\$.	\$ 3.96	\$ -	\$ 24.53	\$ 0.90 \$	- !	-	\$ -	\$ ·	S 53.61	
TOTAL Internal Sales:														
Actual								\$ 14,992,186 \$			•			\$ 69.61
Budget								\$ 20,162,601 \$			•		\$ 1,498,148,038	\$ 73.42
Variance	(141,441,991)		. (\$ 271,520			\$ (5,170,415) \$			\$ 384			\$ (3.81)
Dollars per MWH - Actual Dollars per MWH - Budget			\$ 9.76 \$ 11.24		\$ 19.55 \$ 19.40			\$ 0.74 \$ 0.99 \$					\$ 69.61 \$ 73.42	
							ACCRUED I	REVENUES						
	KWH	Cust. Charge Revenue	Demand Revenue	Demand Rev. (Demand ECR)	Energy Rev. (excl. fuel)	Energy Rev. (Base ECR)	Energy Rev. (Base Fuel)	FAC Revenue	DSM Revenue	ECR Revenue	MSR Revenue	STOD, ESM & VDT Revenue	Total Revenue	S/MWH
TOTAL Ultimate Consumers:		Kevenue	Kasauga	(Demaild ECR)	(exc. iuei)	(Dase ECIN)	(pase ruei)	Menatine	Kevenne	KeAeuna	Kevenue	Kevenue	коление	3/MYIII
Actual: Unbilled Accrual	929,796,638	\$ 3,232,000	\$ 8,006,139	\$ 3,418,689	\$ 21,551,070	\$ 3,283,000	\$ 24,777,098	\$ (359,879) \$	859,525	3,237,801		s ./	68,005,443	\$ 73 14
Actual: Unbilled Reversal. Actual: Other Accused Revenues	(1,116,803,000)	\$ (3,154,000)	\$ (8,186,000)	\$ (3,595,000)	\$ (26,003,000)	\$ (4,254,000)	\$ (30,749,000)	\$. (2,465,000) \$ \$. 1,161,000 \$	(1,153,000)	(3,275,000)	\$ (6,000)		\$ (82,840,000) 9,347,400	74 18
Actual: Net Accrued Revenues	(187,006,362)	•	·	<u> </u>		-	· ·			***************************************		-		\$ 29.50
Budget; Unbilled Accrual	948.785.323	s -	s .	s -	\$ 20,574,240	\$ 3,525,116	\$ 26,129,548	\$ (447,225) \$	1,160,570	3,276,370	s -	\$ -	\$ 54,218,619	\$ 57.15
Budget: Unbilled Reversal	(883,288,741)		•		\$ (23,027,363)	\$ (647,421)	\$ (24,325,772)	\$ (1.720,889) \$ \$ \$	(1,105,418)		\$.	\$ - : \$ -	\$ (58,539,448)	\$ 66.27 \$
Budget: Net Accrued Revs	65,496,582	\$ -	\$ -	\$ -	\$ (2,453,123)			\$ (2,168,114) \$	55,152	(4,436,215)	\$ -	s -	\$ (4,320,829)	\$ (65.97)
Wholesale-Municipals:														
Actual: Unbilled Accrual	156,587,862					\$ -		\$ 212,323 \$		•	\$ ·			\$ 49.64
Actual: Unbilled Reversal	(6,996,000)	-				\$ - \$ -		\$ 2,000 \$ \$ - \$		•	•	\$ - \$ -		\$ 37.31 \$ -
Actual: Net Accrued Revenues	149,591,862							*		·	*		-	
Budget: Unbilled Accrual				i				·····	_ 1		\$ -	s .	······	\$.
Budget: Unbilled Reversal	-	-	-					•			•	•		\$ -
Budget: Other Accrued Revs	-		-					s - s			VIII.	\$ -		\$ -
Budget: Net Accrued Revs.		\$ ·	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - \$	- 9	-	\$ -	\$ -	\$ <u>.</u>	<u> </u>
ſ						0	PERATING	REVENUES		***************************************				
	KWH	Cust Charge	Demand Revenue	Demand Rev. (Demand ECR)	Energy Rev.	Energy Rev. (Base ECR)	Energy Rev. (Base Fuel)	FAC Revenue	DSM Revenue	ECR Revenue	MSR Revenue	STOD, ESM & VDT Revenue	Total Revenue	\$/MWH
TOTAL Ultimate Consumers:		Revenue	Kevende	(Demand ECK)	(exc. idei)	(Dase ECR)	(Dase Fuel)	Koacuria	Koasuna	Keasure	Vesseine -	VAAGUUD	Veagung	#IMPER
Actual	18.320.208.952	\$ 70.954.976	\$ 157.336.907	\$ 71.547.039	\$ 384.667.257	\$ 61,033,293	\$ 495.829.848	\$ 7.845,138 \$	19.765.010	39.798.499	\$ (5,616)	¢ 12	1,308,772,366	\$ 71.44
Budget	18.451.355.444							\$ 16,187,096 \$						\$ 75.09
Variance	(131,146,492)	\$ (7,418,259)	\$ (23,190,214)	\$ 8,202,776	\$ (717,120)	\$ (3,545,701)	\$ (12,320,482)	\$ (8,341,958) \$	(3,944,280)	(25,525,823)	\$ (5,616)	\$ 12	(76,806,663)	\$ (3.65)
Dollars per MWH - Actual		\$ 387 \$ 425				\$ 333		\$ 043 \$ \$ 088 \$	1.08 1.28			\$ - : \$ - :	71 44	
Wholesale-Municipals:		420	0.,0		20.00	•	2. 2.	• • • • •			•	•		
Actual	1.905.867.063	\$ 338.936	\$ 43,352,970	s .	\$ 7.418.262	\$ -	\$ 46,922,531	\$ 5.697.493 \$. :		s -	s . :	103,730,192	\$ 54.43
Budget	2,019,073,644		\$ 48,912,880	\$ -	\$ 8,000,031	\$ -	\$ 49,527,878	\$ 1,807,391 \$	- \$	-	\$ -	\$ -	108,248,180	\$ 5361
Variance	(113,206,581)	\$ 338,936	\$ (5,559,910)	\$ -	\$ (581,769)	\$ -	\$ (2,605,347)	\$ 3,890,102 \$	- (\$.	\$ -	(4,517,988)	\$ 081
Dollars per MWH - Actual Dollars per MWH - Budget		\$ 0.18 \$ -		\$ - \$ -		\$ - \$ -		\$ 2.99 \$ \$ 0.90 \$				\$ - : \$ - :		
TOTAL Internal Sales:					·									
Actual	20,226,076,015	\$ 71,293,912	\$ 200,689,878					\$ 13,542,631 \$			\$ (5,616)		1,412,502,557	
Budget	20,470,429,088		\$ 229,440,001				¥	\$ 17,994,487 \$			•		,	\$ 72.97
Variance	(244,353,073)		+ (00):(1,20)		1,1,2,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1		· /temelemek	\$ (4,451,856) \$	(-()	/4-111				\$ (3.14)
Dollars per MWH - Actual		\$ 3.52	\$ 9.92	\$ 3.54	\$ 19.39	\$ 3.02	\$ 26.83	\$ 0,67 \$	0 98	1.97	\$.	\$ - :	69.84	,

To Adjust Mismatch in Fuel Cost Recovery For the Twelve Months Ended December 31, 2011

		Revenue		Expense
		Form A		Form A*
Expense	I	Page 5 of 6		Page 5 of 6
Month	MANAGE OF THE PARTY OF THE PART	Line 3	***************************************	Line 8
Jan-11		(4,235,011)		(36,966)
Feb-11		2,626,531		(445,420)
Mar-11		(30,433)		(862,022)
Apr-11		(413,989)		373,214
May-11		(764,843)		1,868,842
Jun-11		442,436		1,659,021
Jul-11		2,203,882		5,453,175
Aug-11		1,897,425	,	4,052,858
Sep-11		5,048,751		2,211,016
Oct-11		3,444,797		(2,873,345)
Nov-11		2,048,455		(786,511)
Dec-11		(3,104,271)		(553,491)
Total	\$	9,163,730	\$	10,060,372
Adjustment	\$	(9,163,730)	\$	(10,060,372)

^{*} NOTE : Expenses are recovered in the second succeeding month. For example, January 2011 would be reflected in March 2011.

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: January 2011

1.	Last FAC Rate Billed			(\$0.00215)
2.	KWH Billed at Above Rate			1,969,772,373
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	(4,235,011)
4.	KWH Used to Determine Last FAC Rate			1,564,718,307
5.	Non-Jurisdictional KWH (Included in Line 4)			225,103,957
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	***************************************	1,339,614,350
7.	Revised FAC Rate Billed, if prior period adjustm	ent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	(2,880,171)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(1,354,840)
10.	Total Sales "Sm" (From Page 3 of 6)			2,165,851,031
11.	Kentucky Jurisdictional Sales			1,848,287,754
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)	***************************************	1.17181485
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(1,587,622)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: February 2011

1.	Last FAC Rate Billed			\$0.00160
2.	KWH Billed at Above Rate			1,641,581,988
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	2,626,531
4.	KWH Used to Determine Last FAC Rate			2,171,295,898
5.	Non-Jurisdictional KWH (Included in Line 4)			322,313,820
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,848,982,078
7.	Revised FAC Rate Billed, if prior period adjustm	ent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	2,958,371
9.	Over or (Under) Rècovery	(Line 3 - Line 8)	\$	(331,840)
10.	Total Sales "Sm" (From Page 3 of 6)		-	1,724,874,871
11.	Kentucky Jurisdictional Sales			1,476,196,814
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)		1.16845861
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(387,741)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: March 2011

1.	Last FAC Rate Billed		(\$0.00002)
2.	KWH Billed at Above Rate		1,521,658,104
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$ (30,433)
4.	KWH Used to Determine Last FAC Rate		2,165,851,031
5.	Non-Jurisdictional KWH (Included in Line 4)		317,563,277
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,848,287,754
7.	Revised FAC Rate Billed, if prior period adjustment is ne	eeded (See Note 1)	\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$ (36,966)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$ 6,533
10.	Over Recovery Correction*		353,918
11.	Total Adjusted Over or (Under) Recovery	(Line 9 + Line 10)	\$ 360,451
12.	Total Sales "Sm" (From Page 3 of 6)		1,707,207,991
13.	Kentucky Jurisdictional Sales	i	1,461,054,148
14.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 12 / Line 13)	1.16847688
15.	Total Company Over or (Under) Recovery	(Line 11 x Line 14)	\$ 421,179

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

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: April 2011

	Expense Month. April 2011			As Billed	As Corre	ected (Note 1)
1.	Last FAC Rate Billed			(\$0.00017)		(\$0.00030)
2.	KWH Billed at Above Rate			1,379,963,352		1,379,963,352
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	(234,594)	\$	(413,989)
4.	KWH Used to Determine Last FAC Rate			1,724,874,871		1,733,410,436
5.	Non-Jurisdictional KWH (Included in Line 4)			248,678,057		248,678,057
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,476,196,814		1,484,732,379
7.	Revised FAC Rate Billed, if prior period adjustment	is needed		\$0.00000		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	(250,953)	\$	(445,420)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	16,359	\$	31,431
10.	Total Sales "Sm" (From Page 3 of 6)			1,490,352,072		1,490,352,072
11.	Kentucky Jurisdictional Sales			1,286,945,210		1,286,945,210
12.	Total Sales Divided by Kentucky Jurisdictional Sale	হ(Line 10 / Line 11)		1.15805402		1.15805402
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	18,945	\$	36,399

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

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: May 2011

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

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: June 2011

1.	Last FAC Rate Billed			\$0.00029
2.	KWH Billed at Above Rate			1,525,640,447
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$.	442,436
4.	KWH Used to Determine Last FAC Rate	•		1,490,352,072
5.	Non-Jurisdictional KWH (Included in Line 4)			203,406,862
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,286,945,210
7.	Revised FAC Rate Billed, if prior period adjustn		\$0.00000	
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	. \$	373,214
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	69,222
10.	Total Sales "Sm" (From Page 3 of 6)		•••	1,779,169,014
11.	Kentucky Jurisdictional Sales		<u></u>	1,536,130,589
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)	100000 10000 100000	1.15821469
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	80,174

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: July 2011

1.	Last FAC Rate Billed			\$0.00138
2.	KWH Billed at Above Rate			1,597,015,695
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	2,203,882
4.	KWH Used to Determine Last FAC Rate		·	1,573,514,629
5.	Non-Jurisdictional KWH (Included in Line 4)			219,281,338
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,354,233,291
7.	Revised FAC Rate Billed, if prior period adjustm		\$0.00000	
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	1,868,842
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	335,040
10.	Total Sales "Sm" (From Page 3 of 6)		····	2,026,370,618
11.	Kentucky Jurisdictional Sales			1,747,812,474
12.	Total Sales Divided by Kentucky Jurisdictional S	ales (Line 10 / Line 11)		1.1593753
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	388,437

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: August 2011

1.	Last FAC Rate Billed			\$0.00108
2.	KWH Billed at Above Rate			1,756,874,684
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	1,897,425
4.	KWH Used to Determine Last FAC Rate			1,779,169,014
5.	Non-Jurisdictional KWH (Included in Line 4)			243,038,425
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,536,130,589
7.	Revised FAC Rate Billed, if prior period adjustm	ent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	_\$	1,659,021
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	238,404
10.	Total Sales "Sm" (From Page 3 of 6)			1,983,922,032
11.	Kentucky Jurisdictional Sales			1,717,312,867
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)		1.15524787
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	275,416

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: September 2011

1.	Last FAC Rate Billed			\$0.00312
2.	KWH Billed at Above Rate			1,618,189,554
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	5,048,751
4.	KWH Used to Determine Last FAC Rate		V	2,026;370,618
5.	Non-Jurisdictional KWH (Included in Line 4)		***************************************	278,558,144
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,747,812,474
7.	Revised FAC Rate Billed, if prior period adjustr	ment is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	5,453,175
9.	Over or (Under) Recovery	(Line 3 - Line 8)	_\$	(404,424)
10.	Total Sales "Sm" (From Page 3 of 6)			1,567,929,086
11.	Kentucky Jurisdictional Sales		-	1,356,451,443
12.	Total Sales Divided by Kentucky Jurisdictional	Sales (Line 10 / Line 11)	****	1.15590506
13,	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(467,476)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: October 2011

1.	Last FAC Rate Billed			\$0.00236
2.	KWH Billed at Above Rate			1,459,659,884
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	3,444,797
4.	KWH Used to Determine Last FAC Rate			1,983,922,032
5.	Non-Jurisdictional KWH (Included in Line 4)	,	******	266,609,165
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,717,312,867
7.	Revised FAC Rate Billed, if prior period adjustment	ent is needed (See Note 1)	***************************************	\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	4,052,858
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(608,061)
10.	Total Sales "Sm" (From Page 3 of 6)			1,581,918,011
11.	Kentucky Jurisdictional Sales			1,368,259,593
12.	Total Sales Divided by Kentucky Jurisdictional S	ales (Line 10 / Line 11)		1.15615342
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(703,012)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: November 2011

1.	Last FAC Rate Billed			\$0.00163
2.	KWH Billed at Above Rate			1,256,720,738
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	2,048,455
4.	KWH Used to Determine Last FAC Rate	•		1,567,929,086
5.	Non-Jurisdictional KWH (Included in Line 4)			. 211,477,643
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,356,451,443
7.	Revised FAC Rate Billed, if prior period adjustm	nent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	2,211,016
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(162,561)
10.	Total Sales "Sm" (From Page 3 of 6)			1,629,615,195
11.	Kentucky Jurisdictional Sales		*************	1,404,484,137
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)		1.16029448
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(188,619)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: December 2011

1.	Last FAC Rate Billed			(\$0.00210)
2.	KWH Billed at Above Rate		***************************************	1,478,224,470
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	(3,104,271)
4.	KWH Used to Determine Last FAC Rate		¢.*****	1,581,918,011
5.	Non-Jurisdictional KWH (Included in Line 4)			213,658,418
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,368,259,593
7.	Revised FAC Rate Billed, if prior period adjustm	nent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	(2,873,345)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(230,926)
10.	Total Sales "Sm" (From Page 3 of 6)		70	1,840,157,989
11.	Kentucky Jurisdictional Sales		***************************************	1,581,401,921
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)	**********************	1.16362448
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(268,711)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: January 2012

1.	Last FAC Rate Billed			(\$0.00056)
2.	KWH Billed at Above Rate	,		1,612,798,139
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	(903,167)
4.	KWH Used to Determine Last FAC Rate			1,629,615,195
5.	Non-Jurisdictional KWH (Included in Line 4)			225,131,058
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,404,484,137
7.	Revised FAC Rate Billed, if prior period adjustm	ent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	\$	(786,511)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(116,656)
10.	Total Sales "Sm" (From Page 3 of 6)			1,997,349,084
11.	Kentucky Jurisdictional Sales		-	1,715,250,942
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)		1.16446465
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(135,842)

FUEL ADJUSTMENT CLAUSE OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: February 2012

1.	Last FAC Rate Billed		P	(\$0.00035)
2.	KWH Billed at Above Rate			1,703,648,389
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	\$	(596,277)
4.	KWH Used to Determine Last FAC Rate			1,840,157,989
5.	Non-Jurisdictional KWH (Included in Line 4)		***************************************	258,756,068
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)		1,581,401,921
7.	Revised FAC Rate Billed, if prior period adjustm	ent is needed (See Note 1)		\$0.00000
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	_\$	(553,491)
9.	Over or (Under) Recovery	(Line 3 - Line 8)	\$	(42,786)
10.	Total Sales "Sm" (From Page 3 of 6)		*************	1,793,717,493
11.	Kentucky Jurisdictional Sales			1,544,546,376
12.	Total Sales Divided by Kentucky Jurisdictional S	Sales (Line 10 / Line 11)	•	1.16132317
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	\$	(49,688)

To Adjust Base Rates and FAC to Reflect a Full Year of the FAC Roll-In For the Twelve Months Ended December 31, 2011

1. Adjustment to base rate revenues to reflect a full year of the FAC Roll-In (a)							
2. Adjustment to FAC revenues to reflect a full year of the FAC Roll-In (a)	****	10,758,780					
3. Net adjustment	\$	2,733,478					

(a) FAC roll-in pursuant to Commission's Order dated May 31, 2011 in Case No. 2010-00492.

	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
•				В	ASE RATE ACTI	JAL FUEL ADJ	USTMENT CLA	USE BILLINGS					
Residential Rate	(1,788,988)	1.063.535	(10.031)	(74,369)	(212,446)	140,591	743.339	681,262	1,593,439	815,463	598,535	(1,064,716)	2,485,614
Residential Rate RS Volunteer Fire Departments	(301)	18	39	(9)	(30)	13	99	103	218	133	89	(153)	282
Residential Net Metering	(196)	90	(1)	(5)	(12)	8	45	41	95	56	58	(112) (925)	68 3,815
Residential Three Phase	(1,668)	870	9	(77)	(267)	161	953	955	1.970	1,079	753	(923)	3,013
General Service		117,670	3,595	(10,591)	(33,462)	18,513	101,315	92,795	229.064	141,938	90,575	(131,505)	410,969
General Service	(208,939) (228,674)	131,170	3,371	(13,729)	(50,312)	28,424	139,629	124,824	326,576	210,870	127,671	(174.240)	625,580
General Service Three Phase General Service Net Metering	(228,674)	51,170	5,571	(1),(2)	(2)	1	8	. 8	15	12	10	(13)	7
General Service Net Metering Three Phase	(73)	(12)	20	(2)	(9)	6	30	28	54	29	20	(30)	61
All Electric School Rate						2.012	540	652	1,568	1,272	892	(1,132)	5,363
All Electric School Secondary	(2,804)	1,049	351	(101)	34 (5.987)	3,042 2,429	11,519	13,509	35,396	33,767	18,512	(17,347)	73,345
All Electric School Three Phase	(34,987)	15,017	3,188	(1.669) (1)	(3)	2,429	71,313	5	36	44	18	(14)	93
All Electric School Primary All Electric School Primary Three Phase	(3) (5)	- 2	(0)	- (1)	- (3)	- '	- '	•	6	35	23	(78)	(20)
Power Service Rate													001.501
Power Service Rate PSS - Secondary	(331,570)	172.264	12,348	(21,767)	(75,570)	37,581	211,396	191,421	492,282	339,137	199,903	(245,833)	981,591 780,480
Power Service Rate PSS - Secondary Power Factor	(240,216)	134,921	7,757	(16,787)	(61,859)	25,484	155,592	143,914	385,595	280,301	168,310	(202,530)	780,480 205
Power Service Rate PSS - Secondary Net Metering	(96)	50	(0)	(2)	(4)	4	23	60	78	74	38	(20)	40,585
Power Service Rate PSP - Primary	(13,829)	12,755	415	(276)	(2,707)	1,605	8,723	7,626	18,256	10,592	6,854 85,639	(9,429) (99,911)	386,735
Power Service Rate PSP - Primary Power Factor	(174,832)	88,666	8,942	(11,404)	(37,890)	15,981	86,429	76,777	205,967	142,372	62.039	(33,311)	360,733
Time of Day Power Rate										802,126	416.849	(485,029)	2,166,561
Time-of-Day Service - TODS Secondary	(599,474)	374,948	15,904	(43,667)	(132,359)	46,628	402,604	356,439	1.011,592	77,690	49,686	(69,414)	233,675
Time-of-Day Service - TODP Primary	(66,518)	43,700	(603)	(5,158)	(18,894)	10,315	49,680	45,426	117,700	•			
Retail Transmission Service	(270,703)	190,526	(2,588)	(20.234)	(78,417)	38,300	154,708	135,386	389,985	419,527	223.572	(255,302)	924,760
Fluctuating Load Service	(86,378)	79,488	(899)	(7,381)	(27,400)	11,776	44,811	35,360	128,993	183,405	71,472	(95,710)	337,540
Lighting Rates				•	<i>a</i>	(2)	,	3	3	11	8	6	29
Outdoor Lighting Service - LE	-	-	-	- (0)	(1) (24)	(18)	89	112	187	294	184	(40)	600
Traffic Lighting Energy – TE Outdoor Lights	(185) (29,352)	(72) 8,300	79 3,273	(6) (1,494)	(4,621)	939	9,254	9,659	26,507	26,193	19,083	(17,341)	50,402
Curtailable Service Rider Credits - Primary	_		_	-					-	-		-	
Curtailable Service Rider Credits - Frinary Curtailable Service Rider Credits - Transmission	•	•	-	-	-	•	-	-	-	-	•	•	-
Total	(4,079.833)	2,435,023	45,175	(228,729)	(742,242)	381,783	2,120,794	1,916,366	4,965,648	3,486,420	2,078,754	(2,870,817)	9,508,341

	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
	Jau 1011	1002011					DIC DACE DATE	E ROLL-IN FOR	EUL VEAD				
L			FUE	L ADJUSTMEN	T CLAUSE BILL	INGS REFLECT	ING BASE RATI	E ROLL-IN FOR A	V FULL TEAR				
FAC RATE CHARGED: FAC Rate Rolled in:	(0.00215) 0.00086	0.00160 0.00086	(0.00002) 0.00086	(0.00017) 0.00086	(0.00059) 0.00086	0.00029 0.00086	0.00138 0.00086	0.00108 0.00086	0.00312	0.00236	0.00163	(0.00210)	
FAC Rate After Roll-in:	(0.00129)	0.00246	0.00084	0.00069	0.00027	0.00115	0.00224	0.00194	0.00312	0.00236	0.00163	(0.00210)	
Residential Rate													
Residential Rate RS	(1,130,833)	1,636,000	446,835	302,036	97,305	558,275	1,206,800	1,223,805	1,593,070	815,367	598,554	(1,065,622)	6,281,594
Volunteer Fire Departments	(175)	275	77	44	16	87	181	179	225	131	87	(166)	963
Residential Net Metering	(115)	138	33	18	5	30	73	73	95	57	58	(112)	354
Residential Three Phase	(1,025)	1,389	396	341	123	669	1,643	1,688	1.997	1,072	719	(1,127)	7,886
General Service													
General Service	(129,767)	199,012	60,241	43,524	15,763	81,351	168,090	165,077	233,488	139,819	89,157	(138,613)	927,143
General Service Three Phase	(144,797)	222,060	74,163	57,232	22.019	115,621	231,497	222,251	333.482	207,929	125,666	(183,929)	1,283,194
General Service Net Metering	(23)	43	9	5	1	7	15	14	19	10	9	(20)	91
General Service Net Metering Three Phase	(41)	77	23	13	5	25	52	49	59	29	20	(37)	274
All Electric School Rate													
All Electric School Secondary	(1.659)	2,936	833	494	241	3,111	1,030	1,126	1,767	1,188	835	(1.427)	10,473
All Electric School Three Phase	(20,956)	35,711	11,614	8,291	3,112	14,306	21,739	23,248	39,313	31,290	17,281	(22,914)	162,036
All Electric School Primary	(2)	4	2	4	1	6	11	8	36	44	18	(14)	118
All Electric School Primary Three Phase	(3)	-	-	-	-	-	•	-	6	35	23	(129)	(69)
Power Service Rate													
Power Service Rate PSS - Secondary	(207,268)	312,288	114,552	89,871	36,149	179,796	359,910	338,724	511,608	330,543	194,566	(270,479)	1,990,260
Power Service Rate PSS - Secondary Power Factor	(153,670)	240,359	88,284	73,146	29,748	134,180	263,885	253,946	400,161	274,694	164,251	(222,200)	1,546.782 396
Power Service Rate PSS - Secondary Net Metering	(58)	77	14	8	2	15	70	91	153	59	30	(65)	85.408
Power Service Rate PSP - Primary	(8,588)	24,459	4,460	3,744	1,266	6,632	14,053	13,736	18.376	10,495	6,739	(9,962)	85,408 881,251
Power Service Rate PSP - Primary Power Factor	(107,038)	171,393	62.087	49,291	18,598	78,036	151,887	134,107	214.367	140,297	83,860	(115,633)	001,231
Time of Day Power Rate												((24.72.0)	4,061,107
Time-of-Day Service - TODS Secondary	(357,229)	621,360	233,500	182,166	63,440	333,864	738,711	629,554	1,035,695	793,445	411,325 49,343	(624,724) (70,423)	4,061,107
Time-of-Day Service - TODP Primary	(40,210)	67,189	25,341	20,934	8,680	40,904	81,020	79,990	117,766	77,690	49,343	(10,423)	430,223
Retail Transmission Service	(167,679)	353,542	108,701	84,091	38,499	151,881	251,121	243,187	390,009	412,304	216,847	(255,302)	1,827,200
Fluctuating Load Service	(51,827)	122,213	37,740	29,957	12,539	46,699	72,737	63,518	128,993	183,405	71,472	(95,710)	621,737
Lighting Rates					•	3	6	5	9	8	5	(7)	31
Outdoor Lighting Service - LE		-	-	-	2 21	3 85	228	175	278	256	150	(201)	1,184
Traffic Lighting Energy — TE	(123)	196	68	53		9,923	18,072	16,408	30,203	24,631	17.438	(25,455)	119,483
Street Lighting	(17,913)	27,574	9,217	6,910	2,477	9,923	10,072	10,400	50,203	2-1,001	,		
Curtanable Service Rider Credits - Primary	-	-	-		•		-	•	-	-	-	-	•
Curtailable Service Rider Credits - Transmission	-	-	•	-	-	-	-	-	-	•	-	-	•
Total	(2,540,999)	4,038,294	1,278,190	952.172	350,012	1,755,505	3,582,833	3,410,959	5,051,175	3,444,797	2,048,453	(3,104,271)	20,267,122

		Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
•	Jan 2011	Feb 2011	Mar 2011	Apr 2011	171ay 2011	348 2011	0412012						
]			INCREAS	ED FUEL ADJU	STMENT CLAUS	E BILLINGS RE	FLECTING BA	SE RATE ROLL-	N FOR A FULL	YEAR			
Residential Rate													
Residential Rate RS	658,156	572,465	456,866	376,404	309,751	417,684	463,461	542,544	(369)	(96)	19	(906)	3,795,980
Volunteer Fire Departments	126	194	39	53	47	73	82	76	8	(2)	(2)	(12) 0	681 286
Residential Net Metering	81	48	33	23	17	22	28	32	0	1	-		4,071
Residential Three Phase	643	519	388	418	389	508	690	732	27	(7)	(34)	(202)	4,071
General Service							ec 1116	72,282	4,425	(2,119)	(1,418)	(7,108)	516.174
General Service	79,172	81,342	56,646	54,115	49,226	62,838	66,775 91,869	72,282 97,427	6,906	(2,941)	(2,005)	(9,689)	657,613
General Service Three Phase	83.877	90,890	70,791	70,961	72,331	87,196 7	91,009	91,421	4	(1)	(1)	(7)	84
General Service Net Metering	17	38 89	3	6 15	4 13	19	22	21	5	· (i)	(0)	(8)	212
General Service Net Metering Three Phase	32	89	3	13	13	19	22	21	,	. (4)	(0)	(-/	
All Electric School Rate											(67)	(295)	5.111
All Electric School Secondary	1,145	1,887	482	595	207	69	490	474	199	(85) (2,476)	(57) (1,231)	(5,566)	88.691
All Electric School Three Phase	14.031	20,695	8,427	9,960	9,099	11,877	10,220	9,739	3,918	(2,476)	(1,231)	(1000,0)	25
All Electric School Primary	ī	1	2	5	4	4	4	4	-	(0)	-	(51)	(49)
All Electric School Primary Three Phase	3	•	•	•	•	•	-	-	-	(0)	•	(31)	(47)
Power Service Rate								147 707	19.326	(8,594)	(5,337)	(24,646)	1,008,669
Power Service Rate PSS - Secondary	124,302	140,024	102,204	111,638	111,719	142,215	148,514 108,293	147,303 110,032	14,566	(5,607)	(4,059)	(19,670)	766,302
Power Service Rate PSS - Secondary Power Factor	86,546	105,438	80,527	89,933	91,607 6	108,696 11	108,293	32	74	(15)	(8)	(46)	191
Power Service Rate PSS - Secondary Net Metering	39	27	15	10 4,020	3,973	5,027	5,329	6,109	120	(97)	(114)	(534)	44,823
Power Service Rate PSP - Primary	5,241	11,703 82,727	4,045 53,144	4,020 60.695	56,488	62,055	65.458	57,330	8,400	(2.075)	(1,779)	(15,721)	494,516
Power Service Rate PSP - Primary Power Factor	67,795	82,121	23,144	669,00	30,468	02,033	45.450	31,330	5,100	(•••		
Time of Day Power Rate		216.411	217,596	225,834	195,799	287,236	336,107	273,115	24,103	(8,682)	(5,524)	(139.695)	1,894,546
Time-of-Day Service - TODS Secondary	242,245	246,411 23,489	217,396	26,092	27,574	30,589	31.341	34,564	0	0,002,	(343)	(1,009)	224,550
Time-of-Day Service - TODP Primary	26.309	23,489	25,944	20,092								0	002.440
Retail Transmission Service	103,023	163,016	111,289	104,325	116,916	113,580	96,413	107,801	24	(7,223)	(6,724)	U	902,440
Fluctuating Load Service	34,551	42,725	38,638	37,338	39,938	34,923	27,926	28,157	-	•	•	-	284,197
Lighting Rates								,		(3)	(2)	(13)	2
Outdoor Lighting Service - LE	-	-	-	-	2		6	i 63	6 90	(38)			584
Traffic Lighting Energy - TE	62	267	(12)	59	45	103 8,984	139 8.818	6.748	3.696	(1,563)	(1.646)		69,082
Street Lighting	11,439	19,274	5,944	8,404	7,098	8,984	818,8	0,748	3,030	(1,505)	(1.010)	(4,1,1,1	
Curtailable Service Rider Credits - Primary			-	-	-	-	-	-	-	-	-	- :	-
Curtailable Service Rider Credits - Transmission	•	-	-	•	-	-	-	•	-	-	-	-	
	1,538,835	1,603,270	1,233,015	1,180,901	1,092,255	1,373,722	1,462,039	1,494,594	85,528	(41,623)	(30,300)	(233,454)	10,758,780

		Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
	-	022.2011				B.A	SE RATE ACTU	AL BILLINGS						
							WE ROLL TO							
Residential Rate Residential Rate RS Volunteer Fire Departments Residential Net Metering Residential Three Phase	RS RSVFD RSNM RS3	63,351,796 9,612 6,225 56,413	48,701,440 7,983 3,962 40,663	39,766,859 6,654 2,816 34,382	33,334,014 4,762 1,988 35,944	28,086,495 4,452 1,528 33,181	36,593,028 5,527 1,954 41,885	39,749,335 5,851 2,398 51,604	45,945,859 6,599 2,759 60,741	37,855,071 5,231 2,266 45,280	26,761,392 4,110 1,866 32,767	28,214,442 3,975 2,650 31,904	37,639,012 5,691 3,833 38,312	465,998,744 70,447 34,246 503,076
General Service General Service Three Phase General Service Three Phase General Service Net Metering General Service Net Metering	GS GS3 GSNM GS3NM	9,025,437 9,325,498 1,500 2,632	7,405,488 7,565,803 1,450 2,574	6,737,647 7,436,982 927 2,305	6,045,386 7,014,244 672 1,603	5,688,633 6,920,650 511 1,443	6,664,876 8,384,157 588 1,858	6,916,069 8,522,502 619 1,915	7,713,472 9,385,163 653 2,089	6,899,804 8,790,074 559 1,587	5,715,452 7,348,138 429 1,064	5,351,058 6,496,995 514 1,084	6.213,983 7,308,909 816 i.468	94,499,115 9,239 21,622
All Electric School Rate All Electric School Secondary All Electric School Three Phase All Electric School Primary All Electric School Primary All Electric School Primary	AES AES3 AESP AES3P	92.705 1,097,704 246 180	86,325 981,262 258 33	73,228 935,442 290 33	54,470 813,999 505 53	64,319 781,306 504	168,910 842,951 478	36.982 652.092 474	45,020 802,105 418	44,008 842,110 903 160	39,980 886,565 1,379 1,042	40.425 710,271 851 993	51,382 730,319 569 4,211	797,755 10,076,125 6,874 6,704
Power Service Rate Power Service Rate PSS - Secondary Power Service Rate PSS - Secondary Power Factor Power Service Rate PSS - Secondary Net Metening Power Service Rate PSP - Primary Power Service Rate PSP - Primary Power Factor	PSS PSSPF PSSNM PSP PSPPF	11,129,138 7,292,104 2,872 443,736 4,743,749	9,366,413 6,145,876 2,317 616,310 4,155,362	10,043,161 6,584,118 1,521 383,567 4,322,899	9,710,685 6,638,354 1,201 401,688 4,155,941	10,907,827 7,526,873 1,207 394,583 4,456,669	12,022,261 7,798,037 1,416 458,925 4,359,897	11,952,255 7,782,609 2,866 492,883 4,249,039	12,499,170 8,405,186 3,985 523,367 4,190,097	12,100,916 8,246,384 4,080 465,529 4,248,643	10.029,979 7,049,139 3,098 343,985 3,495,284	9,035,488 6,364,144 2,662 329,421 3,052,047 14,035,829	9,272,742 6,439,079 3,112 364,459 3,157,539	86,271,904 30,337 5,218,454 48,587,166
Time of Day Power Rate Time-of-Day Service - TODS Secondary Time-of-Day Service - TODP Primary	TODP	15,167,105 1,796,998	14,132,223 1,639,274	15,328,142 1,772,440	14.651,229 1,813,694	13,428,309 1,913,783	16,043,301 2,107,158	18,172,660 2,110,137	17,701,523 2,365,922	17,817,966 2,177,398	1,946,256	1,826,062	2,003.716	23,472,838
•	RTS	6,675,319	7,412,150	6,705,240	6,307,765	7,477,018	6,799,350	5,916,827	6.378,664	6,241,765	8,932,895	6,901,028	6,167,497	
Retail Transmission Service Fluctuating Load Service	FLST	1,859,665	2,201,573	2,044,498	2,008,648	2,099,216	2,143.612	1,761,831	1,568,261	1,919,432	3,621,994	1,951,899	2.003,185	25,183,815
Lighting Rates Outdoor Lighting Service — LE Traffic Lighting Energy — TE Outdoor Lights	LE TE ODL	8,179 1,911,563	- 6,959 1,812,325	7,046 1,864,038	6,751 1,847,275	369 6,908 1,870,550	155 6,586 1,868,895	158 10,070 1,853,973	136 8,551 1,862.885	150 8,404 1,855,213	183 9,747 1,858,894	179 8,619 1,863,410	187 8,884 1,858,173	1,518 96,705 22,327,195
Curtailable Service Rider Credits - Primary Curtailable Service Rider Credits - Transcussion	CSRP CSRT	:	:	:	:	-	-	-	:	-	-	-	-	
Total		134,000,376	112,288,022	104,054.236	94,850,872	91,666,333	106,315,805	110,245,149	119,472,625	109,572,932	96,357,894	86,225,952	99,477,195	1,264,527,391

		Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
	-			File	I ADDISTMEN	T CLAUSE BULL	INGS REFLECT	ING BASE RATE	ROLL-IN FOR	A FULL YEAR				
	L			FUE	L ADJUSTINE	T CERTOOD DIEE	MICO MEL DOUT							
Residential Rate RS	RS	62,597,907	48,129,505	39,309,385	32,957,564	27,776,560	36,175,535	39,749,335	45,945,859	37,855,071	26,761,392	28,214,442	37,639,012	463,111,568 69,983
Volunteer Fire Departments	RSVFD	9,495	7,887	6,574	4,706	4,400	5,463	5,851	6,599	5,231	4,110 1,866	3,975 2.650	5,691 3,833	34.026
Residential Net Metering	RSNM	6,149	3,914	2,782	1.966	1,511	1,932	2,398	2,759	2,266		2,650 31.904	38.312	500,185
Residential Three Phase	RS3	55,730	40,177	33,976	35,519	32,791	41,384	51,604	60,741	45,280	32,767	31,904	36,312	300,183
General Service											5.715.452	5,351,058	6.213,983	79.994.253
General Service	GS	8,938,925	7,335,915	6,675,972	5,991,139	5,638,424	6,604,040	6.916,069	7,713,472	6,899,804 8,790,074	7,348,138	6.496,995	7,308,909	94,021,093
General Service Three Phase	GS3	9,228,966	7,488,172	7,361,054	6,942,912	6,850,515	8,297,693	8,522,502	9,385,163 653	8,790,074 559	7,348,138 429	514	816	9,182
General Service Net Metering	GSNM	1,485	1,435	917	666	506	583	619 1.915	2,089	1,587	1.064	1.084	1.468	21,494
General Service Net Metering Three Phase	GS3NM	2,604	2,547	2,281	1,587	1,429	1,839	1,915	2,089	1,307	1,004	1,004	1,400	21.171
All Electric School Rate							166 600	36,982	45,020	44.008	39,980	40,425	51,382	791,059
All Electric School Secondary	AES	91,599	85,299	72,375	53,855 803,665	63,550 771,394	166,583 832,253	652,092	802,105	842.110	886.565	710,271	730,319	10.006.835
All Electric School Three Phase	AES3	1,083,733	968,777	923,551	803,665 500	771,394 499	832,233 474	474	418	903	1,379	851	569	6,856
All Electric School Primary	AESP	245	257 33	289 33	500	499	4/4	7/7		160	1,042	993	4,211	6,702
All Electric School Primary Three Phase	AES3P	178	33	33	33	-	-	_		,				
Power Service Rate				0.005.001	9,598,672	10,792,686	11.887.805	11,952,255	12,499,170	12,100,916	10,029,979	9,035,488	9,272,742	127,343,793
Power Service Rate PSS - Secondary	PSS	10,990,960	9.257,239	9,925,881	6.547.187	7,432,122	7,697,694	7.782.609	8,405,186	8,246,384	7,049,139	6,364,144	6,439,079	85,708,782
Power Service Rate PSS - Secondary Power Factor	PSSPF	7,189,658	6,061,848	6,493,732		1,432,122	1,405	2.866	3,985	4,080	3,098	2,662	3,112	30,230
Power Service Rate PSS - Secondary Net Metering	PSSNM	2,833	2,290	1,506	1,191 397,022	390,551	453,965	492,883	523,367	465,529	343,985	329,421	364,459	5,185,955
Power Service Rate PSP - Primary	PSP	438,011	607,759	379,002	4.094.506	4,397,432	4,301,540	4,249,039	4,190,097	4,248,643	3,495,284	3,052,047	3,157,539	48,213,296
Power Service Rate PSP - Primary Power Factor	PSPPF	4,672,390	4,095,445	4,259,334	4,094,506	4,397,432	4,301,340	4,249,039	4,150,057	4,240,043	3,173,201	240240		
Time of Day Power Rate						13,226,239	15,793,629	18,172,660	17.701.523	17.817.966	18,272,254	14.035.829	16,200,116	189,577,432
Time-of-Day Service - TODS Secondary	TODP	14,928,952	13,914,999	15,089,083	14,424,181 1,787,602	1,886,135	2.076,569	2,110,137	2,365,922	2,177,398	1.946.256	1,826,062	2,003,716	23,312,270
Time-of-Day Service - TODP Primary	TODS	1,770,191	1,615,786	1,746,496	1,787,602	1,080,13	2,076,369	2,110,137	2,303,722	• •				
Retail Transmission Service	RTS	6,563,533	7,288,554	6,593,951	6,202,956	7,354,392	6,685,769	5,916,827	6,378,664	6,241,765	8,932.895	6,901,028	6,167,497	81,227,831
Fluctuating Load Service	FLST	1,825,114	2,158,848	2,005,860	1,971,310	2,059,277	2,108,689	1.761,831	1,568,261	1,919,432	3,621,994	1,951,899	2,003,185	24,955,702
Lighting Rates										150	183	179	187	1,509
Outdoor Lighting Service - LE	LE	•	-	-	-	363	153	158	136	150	9,747	8,619	8,884	96.288
Traffic Lightung Energy - TE	TE	8,097	6,891	6,977	6,685	6,840	6,523	10,070	8,551	8,404		1.863,410	1.858,173	22,275,766
Street Lightung	ODL	1,902,780	1,804,005	1,855,436	1,838,766	1,861,926	1,860,305	1,853,973	1,862,885	1,855,213	1,858,894	1,003,410	1,030,173	22,212,100
Curtailable Service Rider Credits - Primary	CSRP	-				•		-	-		-	-	-	-
Curtailable Service Rider Credits - Transmission	CSRT	-	-	•	•	•	-	•	-	-	-	•	•	•
Total		132,309,536	110,877,581	102,746,448	93,664,209	90,550,745	105,001,822	110,245,149	119,472,625	109,572,932	96,357,894	86,225,952	99,477,195	1,256,502,088

					4 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sen 2011	Oct 2011	Nov 2011	Dec 2011	TOTAL 12 Mos. Ended
	_	Jan 2011	Feb 2011	Mar 2011	Apr 2011									
	Г	***************************************		DECREASED	BASE RATE BI	LLINGS REFLE	CTING THE FU	EL ADJUSTME	NT CLAUSE RO	LL-IN FOR A FU	LL YEAR			
	-					,								
Residential Rate	RS	(753,888)	(571,935)	(457,474)	(376,451)	(309.936)	(417,493)	-			-	-	•	(2,887,176)
Residential Rate RS Volunteer Fire Departments	RSVFD	(117)	(96)	(79)	(55)	(52)	(65)	-	-	-	-	-	-	(464)
Residential Net Meterring	RSNM	(76)	(48)	(33)	(23)	(17)	(22)	-	•	-	•	-	-	(220) (2,892)
Residential Three Phase	RS3	(683)	(486)	(406)	(425)	(391)	(501)	•	-	•	•	•	-	(2,892)
General Service														(383,052)
General Service	GS	(86,511)	(69,573)	(61,676)	(54,247)	(50,209)	(60,836)	-	-	-	•	•	-	(478,022)
General Service Three Phase	GS3	(96,531)	(77,631)	(75,928)	(71,333)	(70,134)	(86,464)	-	•	•	•			(57)
General Service Net Metering	GSNM	(16)	(15)	(9)	(6)	(5)	(6) (19)	•	-			-		(128)
General Service Net Metering Three Phase	GS3NM	(28)	(27)	(24)	(16)	(14)	(19)	•						
All Electric School Rate						(769)	(2,326)			_		-	-	(6,695)
All Electric School Secondary	AES	(1,106)	(1,026)	(852)	(616) (10,334)	(9,912)	(10,698)			-	-		-	(69,290)
All Electric School Three Phase	AES3	(13,971)	(12,484) (1)	(11,891) (2)	(10,334)	(4)	(4)	_	_			-	-	(18)
All Electric School Primary	AESP AES3P	(1) (2)	(1)	(2)	(5)	(47	- '-'	-		-	-	-	-	(2)
All Electric School Primary Three Phase	AESJP	(2)	•	•										
Power Service Rate											_			(726,242)
Power Service Rate PSS - Secondary	PSS	(138,178)	(109,174)	(117,279)	(112,013)	(115,141)	(134,456) (100,343)	-	-		-	-		(563,122)
Power Service Rate PSS - Secondary Power Factor	PSSPF	(102,447)	(84,028)	(90,386) (15)	(91,167) (10)	(94,751) (6)	(11)		_	-	_	_	-	(107)
Power Service Rate PSS - Secondary Net Metering	PSSNM	(39)	(27)	(4,566)	(4,666)	(4,032)	(4,959)		-	-	_	-	-	(32,499)
Power Service Rate PSP - Primary	PSP	(5,725)	(8,551) (59,918)	(63,565)	(61,435)	(59,237)	(58.357)			-		-		(373,870)
Power Service Rate PSP - Primary Power Factor	PSPPF	(71,358)	(916,65)	(606,60)	(01,433)	(35,237)	(30.337)							
Time of Day Power Rate					(222.018)	(202,069)	(249,672)	_	_	_	-		-	(1,373,225)
Time-of-Day Service - TODS Secondary	TODP	(238,153)	(217.223)	(239,059)	(227,048) (26,092)	(27,648)	(30,589)			_		-	-	(160,568)
Time-of-Day Service - TODP Primary	TODS	(26,806)	(23,489)	(25.944)	(20,092)	(21,046)	(100,507)							
Retail Transmission Service	RTS	(111,786)	(123,596)	(111,289)	(104,809)	(122,626)	(113,580)	-	-	-	-	-	-	(687,687)
- 10	FLST	(34,551)	(42,725)	(38,638)	(37,338)	(39,938)	(34,923)	-	-	-			_	(228.113)
Fluctuating Load Service	FLSI	(34,251)	(42,723)	(10,010)	(51,1550)	(21,120)	,,							
Lighting Rates					_	(6)	(2)			-		-	-	(8)
Outdoor Lighting Service - LE	LE	(82)	(68)	(69)	(66)	(68)	(63)		-				-	(417)
Traffic Lighting Energy — TE	TE ODL	(8,783)	(8,320)	(8,602)	(8,510)	(8,624)	(8,591)		-		-	-	-	(51,429)
Street Lighting	ODL	(0,783)	(0,320)	(0,002)	(0,510)	(4,047)	(-,,							
Curtailable Service Rider Credits - Primary	CSRP		-	-		-	-		-	-	-	-	-	-
Curtailable Service Rider Credits - Frittary	CSRT	-	-	-	-	-	-	-	-	-	-	-	-	•
CHEMINOLOGY TO TOUR CHOMIS - Transmission											_		-	(8,025,302)
		(1,690,840)	(1,410,441)	(1,307,788)	(1,186,663)	(1,115,588)	(1,313,983)	-	•	•	-			

Adjustment to Eliminate Environmental Surcharge Revenues and Expenses For the Twelve Months Ended December 31, 2011

	(1)	(2)	(3)	(4)	(5)
	Environmental Compliance	Environmental Compliance	Total Revenues	Total Expenses	
	Revenues Collected in	Revenues Collected in	Environmental	Environmental	Net
Expense Month	Base Rates (a)	Environmental Surcharge (b)	Compliance Plans (Col. 1+2)	Compliance Plans (c)	(Col. 3 - 4)
Jan-11	13,818,379	5,407,256	19,225,635	5,405,299	
Feb-11	11,827,563	3,026,209	14,853,772	5,918,947	
Mar-11	10,993,252	169,800	11,163,052	5,992,096	
Apr-11	10,044,427	2,360,485	12,404,912	5,623,331	
May-11	9,618,565	2,471,733	12,090,298	5,865,737	
Jun-11	11,018,257	3,699,167	14,717,424	6,103,676	
Jul-11	11,760,729	4,011,785	15,772,514	5,974,461	
Aug-11	12,465,088	3,072,496	15,537,584	6,556,599	
Sep-11	11,546,729	2,188,184	13,734,913	5,920,213	
Oct-11	10,611,735	1,928,584	12,540,319	5,767,324	
Nov-11	9,449,751	2,749,517	12,199,268	6,090,400	
Dec-11	10,705,782	3,531,568	14,237,350	6,183,636	
	\$ 133,860,257	\$ 34,616,785	\$ 168,477,042	\$ 71,401,719	
Kentucky Jurisdic	tion (Ref. Sch. Allocators)			86.677%	
Total			\$ 168,477,042	\$ 61,888,868	\$ 106,588,174
Adjustment			\$ (168,477,042)	\$ (61,888,868)	\$(106,588,174)

⁽a) ES Form 1.10, Line 13 for Jan-Nov; Line 17 for Dec expense month filings.

⁽b) ES Form 3.00, Column 6.

⁽c) ES Form 2.00, Total Pollution Control Operations Expense less Proceeds from By-Product and Allowance Sales

KENTUCKY UTILITIES COMPANY ENVIRONMENTAL SURCHARGE REPORT

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of January 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses

BAS = Total Proceeds from By-Product and Allowance Sales

BR - Beneficial Reuse Operating Expenses

				ental Compliance Plans		
(1)	RB		=	\$	1,217,833,316	
	RB / 12		=	\$	101,486,110	
	(ROR + (ROR -	DR) (TR / (1 - TR)))	=		10.86%	
(4)	OE	,, , , , , , , , , , , , , , , , , , , ,	=	\$	5,373,215	
(5)	BAS		=	\$	(32,084)	
	BR		=	\$	•	
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	16,426,691	

Calculation of Jurisdictional Environmental Surcharge Billing Factor

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	===	85.12%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	===	\$ 13,982,399
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00241	=	-
(11)	Prior Period Adjustment (if necessary)	***	(78,018)
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	=	13,904,381
(13)	Revenue Collected through Base Rates	=	\$ 13,818,379
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	=	\$ 86,002
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	=	\$ 106,403,777
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]		0.08%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of February 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses

BAS = Total Proceeds from By-Product and Allowance Sales

BR = Beneficial Reuse Operating Expenses

		Environmental Compliance Plans		
(1) RB		=	\$	1,214,036,916
(2) RB / 12		=	\$	101,169,743
(3) (ROR + (ROR -	· DR) (TR / (1 - TR)))	=		10.86%
(4) OE		=	\$	5,906,623
(5) BAS		=	\$	(12,324)
(6) BR		==	\$	•
(7) E(m)	(2) x (3) + (4) - (5) + (6)	=	-\$	16,905,981

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	==	86.06%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	= \$	14,549,287
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00241	=	-
(11)	Prior Period Adjustment (if necessary)	=	=
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	=	14,549,287
(13)	Revenue Collected through Base Rates	= \$	11,827,563
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	2,721,724
(15)	Jurisdictional R(m) ≈ Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	107,016,860
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]		2.54%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of March 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses

BAS = Total Proceeds from By-Product and Allowance Sales

BR = Beneficial Reuse Operating Expenses

			Environme	ental Compliance Plans
(1)	RB	• =	\$	1,214,135,093
(2)	RB / 12	=	\$	101,177,924
(3)	(ROR + (ROR - DR) (TR / (1 - TR)))	=		11.04%
(4)	OE	===	\$	5,696,454
(5)	BAS	=	\$	(295,642)
	BR	=	\$	-
(7)	E(m) (2) x (3) + (4) - (5) + (6)	=	\$	17,162,138

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	86.01%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	==	\$ 14,761,155
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	222	(881,730)
(11)	Prior Period Adjustment (if necessary)	===	-
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	=	13,879,425
(13)	Revenue Collected through Base Rates	=	\$ 10,993,252
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	=	\$ 2,886,173
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	=	\$ 107,050,264
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	2.70%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of April 2011

Calculation of Total E(m)

		Environmental Compliance Plans		
(1)	RB		\$	1,212,576,264
(2)	RB / 12	===	\$	101,048,022
	(ROR + (ROR - DR) (TR / (1 - TR)))	=		11.04%
(4)	OE	=	\$	5,661,285
(5)	BAS	==	\$	37,954
	BR ·	-	\$	•
(7)	E(m) (2) x (3) + (4) - (5) + (6)	=	\$	16,779,033

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00		87.31%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	= \$	14,649,774
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	Walter 19	(881,730)
(11)	Prior Period Adjustment (if necessary)	=	-
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	<u>1004</u>	13,768,044
(13)	Revenue Collected through Base Rates	= \$	10,044,427
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	3,723,617
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	107,531,674
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	3.46%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of May 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (H)]	OR+(RO	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	=	Environmental Compliance Rate Base
ROR	==	Rate of Return on the Environmental Compliance Rate Base
DR	200	Debt Rate (both short-term and long-term debt)
TR	=	Composite Federal & State Income Tax Rate
OE	==	Pollution Control Operating Expenses
BAS		Total Proceeds from By-Product and Allowance Sales
BR	=	Beneficial Reuse Operating Expenses

			Environmental Compliance Plans		
(1)	RB		=	\$	1,211,354,448
(2)	RB / 12		=	\$	100,946,204
(3)	(ROR + (ROR - D	DR) (TR / (1 - TR)))	=		11.04%
	OE		=	\$	5,857,242
(5)	BAS		==	\$	(8,495)
1 ' '	BR		=	\$	-
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,010,198

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	84.19%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	= \$	14,320,886
(01)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	=	(881,730)
(11)	Prior Period Adjustment (if necessary)	=	•
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	=	13,439,156
(13)	Revenue Collected through Base Rates	= \$	9,618,565
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	3,820,591
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	108,246,609
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	3.53%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of June 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses

BAS = Total Proceeds from By-Product and Allowance Sales

BR = Beneficial Reuse Operating Expenses

				Environmental Compliance Plans		
. ` ′	RB RB / 12		=	\$ \$	1,214,206,242 101,183,854	
(3)	(ROR + (ROR - DR) (TR /	1 - TR)))	=		11.04%	
· ' '	OE BAS		* =	\$ \$	6,093,956 (9,720)	
(6)	BR		=	\$	-	
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,274,374	

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3 00	=	84.42%
(9)	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)]	===	\$ 14,583,027
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474		(881,730)
(11)	Prior Period Adjustment (if necessary)	=	-
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	=	13,701,297
(13)	Revenue Collected through Base Rates	=	\$ 11,018,257
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	=	\$ 2,683,040
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	=	\$ 109,115,040
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	2.46%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of July 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses

BAS = Total Proceeds from By-Product and Allowance Sales

BR = Beneficial Reuse Operating Expenses

		Environmental Compliance Plans		
(4) OE (5) BAS	· DR) (TR / (I - TR)))	= = =	\$ \$ \$ \$	1,212,691,706 101,057,642 11.04% 5,973,395 (1,066)
(6) BR (7) E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,131,224

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	85.70%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) × (8)]$	= \$	14,681,459
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	****	(881,730)
(11)	Prior Period Adjustment (if necessary)	₩	•
(12)	Adjusted Jurisdictional $E(m) = [(9) + (10) + (11)]$	=	13,799,729
(13)	Revenue Collected through Base Rates	= \$	11,760,729
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	2,039,000
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3 00	= \$	109,303,925
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]		1.87%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of August 2011

Calculation of Total E(m)

			Environ	nental Compliance Plans
(1) RB		=	\$	1,213,318,388
(2) RB/I		=	\$	101,109,866
	(ROR - DR) (TR / (1 - TR)))	=		11.04%
(4) OE		=	\$	6,543,787
(5) BAS		=	\$	(12,812)
(6) BR		=	\$	•
(7) E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,719,128

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	87.18%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) \times (8)]$	= \$	15,447,536
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474		(881,732)
(H)	Prior Period Adjustment (if necessary)	=	•
(12)	Adjusted Jurisdictional $E(m) = [(9) + (10) + (11)]$	=	14,565,804
(13)	Revenue Collected through Base Rates	= \$	12,465,088
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	2,100,716
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	109,140,745
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	1.92%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of September 2011

Calculation of Total E(m)

				Environmental Compliance Plans		
(1)	RB		. =	\$	1,210,886,436	
	RB / 12		=	\$	100,907,203	
(3)	(ROR + (ROR - D	R) (TR / (1 - TR)))	=		11.04%	
(4)	OE	,, , , , , , , , , , , , , , , , , , , ,	==	\$	5,909,919	
(5)	BAS		=	\$	(10,294)	
(6)	BR		=	\$	-	
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,060,369	

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	87.51%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	==	\$ 14,929,529
(0)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	=	-
(11)	Prior Period Adjustment (if necessary)	=	•
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	==	14,929,529
13)	Revenue Collected through Base Rates	=	\$ 11,546,729
[14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	=	\$ 3,382,800
[15]	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	-	\$ 108,584,502
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	-	3.12%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of October 2011

Calculation of Total E(m)

E(m) = [(RB / 12)(ROR+(R	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	27	Environmental Compliance Rate Base
ROR	=	Rate of Return on the Environmental Compliance Rate Base
DR	=	Debt Rate (both short-term and long-term debt)
TR	=	Composite Federal & State Income Tax Rate
OE	=	Pollution Control Operating Expenses
BAS	=	Total Proceeds from By-Product and Allowance Sales
BR	=	Beneficial Reuse Operating Expenses

		Environmental Compliance Plans		
1 ' ' '	DR) (TR / (1 - TR)))	=======================================	\$ \$	1,227,064,849 102,255,404 11.04% 5,757,759
(4) OE (5) BAS (6) BR		1000 1000 1000	\$ \$	(9,565) -
(7) E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,056,321

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	200	85.36%
(9)	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)]	= \$	14,559,276
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474		
(11)	Prior Period Adjustment (if necessary)	=	-
(12)	Adjusted Jurisdictional $E(m) = [(9) + (10) + (11)]$	=	14,559,276
(13)	Revenue Collected through Base Rates	= \$	10,611,735
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	3,947,541
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3 00	= \$	108,871,982
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	3.63%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of November 2011

Calculation of Total E(m)

(ROR+(R	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
222	Environmental Compliance Rate Base
==	Rate of Return on the Environmental Compliance Rate Base
==	Debt Rate (both short-term and long-term debt)
==	Composite Federal & State Income Tax Rate
-	Pollution Control Operating Expenses
=	Total Proceeds from By-Product and Allowance Sales
=	Beneficial Reuse Operating Expenses
	=======================================

			nental Compliance Plans		
(1)	RB		=	\$	1,225,988,797
(2)	RB / 12		***	\$	102,165,733
	(ROR + (ROR - D	PR) (TR / (1 - TR)))	***		11.04%
(4)	OE		=	\$	6,086,129
(5)	BAS		==	\$	(4,271)
(6)	BR		=	\$	-
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,369,497

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	86.51%
(9)	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)]	= \$	15,026,352
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	=	-
(11)	Prior Period Adjustment (if necessary)	=	•
(12)	Adjusted Jurisdictional $E(m)$ [(9) + (10) + (11)]	==	15,026,352
(13)	Revenue Collected through Base Rates	= \$	9,449,751
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	5,576,601
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3 00	= \$	108,673,513
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	5.13%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of December 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses

BAS = Total Proceeds from By-Product and Allowance Sales

BR = Beneficial Reuse Operating Expenses

			Pre-2011 Environmental Compliance Plans		2011 Environmental Compliance Plans	
(I) RB		=	\$	1,241,656,918	\$	19.369,355
(2) RB/12		225	\$	103,471,410	\$	1,614,113
(3) (ROR + (ROR -	DR) (TR / (1 - TR)))	=		11.04%		10 59%
(4) OE		22	\$	5,249,209	\$	936,843
(5) BAS		=	\$	2,416		Not Applicable
(6) BR		=	\$	-		Not Applicable
(7) E(m)	(2) x (3) + (4) - (5) + (6)	***	\$	16,670,037	s	1,107,778
(8) Total E(m) = si	um of Pre-2011 E(m) + 2011 E(m)	<u></u>	\$	17,777,815		

Calculation of Adjusted Total Jurisdictional E(m)

l			į	
(9)	Jurisdictional Allocation Ratio for Expense Month ES Form 3 10	=	83 93%	
(10)	Jurisdictional E(m) = Total E(m) x Jurisdictional Allocation Ratio [(8) x (9)]	=	\$ 14,920,920	
(11)	Prior Period Adjustment related to Rate Base or OE (if necessary)	=	\$ -	
(12)	Adjusted Total Jurisdictional E(m) [(10) + (11)]	=	14,920,920	
ı				

Calculation of Group Environmental Surcharge Billing Factors

			GROUP 1 (Total Revenue)	GROUP 2 (Net Revenue)	
(13)	Revenue as a Percentage of Total Revenue for Current Month ES Form 3 00	=	100%		0%
(14)	Group E(m) [(12) x (13)]	= :	\$ 14,920,920	s	*
(15)	Adjustment for (Over)/Under-collection pursuant to Case No	= :	· -	s	-
(16)	Prior Period Adjustment related to Revenue (If necessary)	= (-	s	-
(17)	Revenue Collected through Base Rates	=	\$ 10,705,782	\$	-
(18)	Net Group E(m) = Group E(m) less Expense Month Revenue Collected Through Base Rates $[(14)+(15)+(16)-(17)]$	= :	\$ 4,215,138	s	-
(19)	Group R(m) = Average Monthly Group Revenue for the 12 Months Ending with the Current Expense Month – ES Form 3 00	= :	\$ 107,595,608	s	•
(20)	Group Environmental Surcharge Billing Factors [(18) + (19)]	=	3.92%	0	.00%

Revenue Requirements of Environmental Compliance Costs For the Expense Month of January 2011

Determination of Environmental Compliance Rate Base

eter initiation of Environmental Compliance Nate Dase						
		Enviromental Compliance Plan				
Eligible Pollution Control Plant		\$ 1,2	252,593,579			
Eligible Pollution CWIP Excluding AFUDC			20,351,944			
Subtotal				\$	1,372,945,523	
Additions:						
Inventory - Limestone		\$	915,541			
Less: Limestone Inventory in base rates			76,473			
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33			557,137			
Less: Allowance Inventory Baseline			69,415			
Net Emission Allowance Inventory			487,722			
Cash Working Capital Allowance			1,906,078			
Subtotal					3,232,868	
Deductions:						
Accumulated Depreciation on Eligible Pollution Control Plant			75,134,023			
Pollution Control Deferred Income Taxes			55,677,458			
Pollution Control Deferred Investment Tax Credit			27,533,594			
Subtotal .					158,345,075	
Environmental Compliance Rate Base				\$	1,217,833,316	

Determination of Pollution Control Operating Expenses

	Enviromental ompliance Plan
Monthly Operations & Maintenance Expense	\$ 1,627,292
Monthly Depreciation & Amortization Expense	3,579,198
Monthly Taxes Other Than Income Taxes	162,365
Monthly Insurance Expense	-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33	9,222
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)	4,862
Net Recoverable Emission Allowance Expense	4,360
Monthly Surcharge Consultant Fee	
Total Pollution Control Operations Expense	\$ 5,373,215

Determination of Beneficial Reuse Operating Expenses

	Environr	nental
	Complian	ce Plan
Total Monthly Beneficial Reuse Expense	\$	m
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

		Total	A	nount in		Net
		Proceeds		Base Rates		Proceeds
		(1)		(2)		(1) - (2)
Allowance Sales	\$	12,727	\$	-	\$	12,727
Scrubber By-Products Sales		5,786		50,597		(44,811)
Total Proceeds from Sales	\$	18,513	\$	50,597	\$	(32,084)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of February 2011

Determination of Environmental Compliance Rate Base

	Enviro	Enviromental Compliance Plan		
Eligible Pollution Control Plant	\$ 1,252,59	3,579		
Eligible Pollution CWIP Excluding AFUDC	123,87	2,733		
Subtotal		\$	1,376,466,312	
Additions:				
Inventory - Limestone		4,986		
Less: Limestone Inventory in base rates		6,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	54	8,746		
Less: Allowance Inventory Baseline		9,415		
Net Emission Allowance Inventory		9,331		
Cash Working Capital Allowance	1,98	9,279		
Subtotal			3,097,123	
Deductions:				
Accumulated Depreciation on Eligible Pollution Control Plant		5,364		
Pollution Control Deferred Income Taxes		5,174		
Pollution Control Deferred Investment Tax Credit	27,46	5,981		
Subtotal			165,526,519	
Environmental Compliance Rate Base	•	\$	1,214,036,916	

Determination of Pollution Control Operating Expenses

		nviromental npliance Plan
Monthly Operations & Maintenance Expense	\$	1,839,149
Monthly Depreciation & Amortization Expense		3,901,476
Monthly Taxes Other Than Income Taxes		162,365
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		8,495
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense		3,633
Monthly Surcharge Consultant Fee		
Total Pollution Control Operations Expense	\$	5,906,623

Determination of Beneficial Reuse Operating Expenses

	Environmen	ıtal
	Compliance I	Plan
Total Monthly Beneficial Reuse Expense	\$	
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

1 totted 1 toll by 1 todatt and 1 monante 2 miles						
	Total		A	mount in		Net
	P	Proceeds Base Rates		Proceeds		
		(1)		(2)		(1) - (2)
Allowance Sales	\$	-	\$	_	\$	-
Scrubber By-Products Sales		38,274		50,597		(12,324)
Total Proceeds from Sales	\$	38,274	\$	50,597	\$	(12,324)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of March 2011

Determination of Environmental Compliance Rate Base

	Enviromental	Compliance Plan	
Eligible Pollution Control Plant	\$ 1,252,593,579		
Eligible Pollution CWIP Excluding AFUDC	131,087,969		
Subtotal		\$ 1,383,681,54	18
Additions:			
Inventory - Limestone	\$ 771,146		
Less: Limestone Inventory in base rates	76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	539,862		
Less: Allowance Inventory Baseline	69,415		
Net Emission Allowance Inventory	470,447		
Cash Working Capital Allowance .	2,064,001		
Subtotal		3,229,12	21
Deductions:		_	
Accumulated Depreciation on Eligible Pollution Control Plant	82,956,704		
Pollution Control Deferred Income Taxes	62,352,891		
Pollution Control Deferred Investment Tax Credit	27,465,981		
Subtotal		172,775,5	
Environmental Compliance Rate Base		\$ 1,214,135,0	€3

Determination of Pollution Control Operating Expenses

	nviromental mpliance Plan
Monthly Operations & Maintenance Expense	\$ 1,628,590
Monthly Depreciation & Amortization Expense	3,901,476
Monthly Taxes Other Than Income Taxes	162,365
Monthly Insurance Expense	-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)	8,885
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)	4,862
Net Recoverable Emission Allowance Expense	4,023
Monthly Surcharge Consultant Fee	
Total Pollution Control Operations Expense	\$ 5,696,454

Determination of Beneficial Reuse Operating Expenses

	Environme	ental
	Compliance	e Plan
Total Monthly Beneficial Reuse Expense	\$	~
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		_
Net Beneficial Reuse Operations Expense	\$	

	Total	Amount in	Net
	Proceeds	Base Rates	Proceeds
	(1)	(2)	(1) - (2)
Allowance Sales	\$ 3,293	\$ 286,166	\$ (282,873)
Scrubber By-Products Sales	37,829	50,597	(12,769)
Total Proceeds from Sales	\$ 41,122	\$ 336,763	\$ (295,642)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of April 2011

Determination of Environmental Compliance Rate Base

	Enviromental Compliance Plan		
Eligible Pollution Control Plant	\$ 1,252,797,141		
Eligible Pollution CWIP Excluding AFUDC	136,368,498		
Subtotal		\$	1,389,165,639
Additions:			
Inventory - Limestone	\$ 781,592		
Less: Limestone Inventory in base rates	76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	530,627		
Less: Allowance Inventory Baseline	69,415		
Net Emission Allowance Inventory	461,212		
Cash Working Capital Allowance	2,149,034		
Subtotal			3,315,365
Deductions:			
Accumulated Depreciation on Eligible Pollution Control Plant	86,868,281		
Pollution Control Deferred Income Taxes	65,694,618		
Pollution Control Deferred Investment Tax Credit	27,341,841	,	
Subtotal			179,904,740
Environmental Compliance Rate Base		\$	1,212,576,264

Determination of Pollution Control Operating Expenses

	Enviromental Compliance Plan
Monthly Operations & Maintenance Expense	\$ 1,592,835
Monthly Depreciation & Amortization Expense	3,901,712
Monthly Taxes Other Than Income Taxes	162,365
Monthly Insurance Expense	-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)	9,235
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)	4,862
Net Recoverable Emission Allowance Expense	4,373
Monthly Surcharge Consultant Fee	
Total Pollution Control Operations Expense	\$ 5,661,285

Determination of Beneficial Reuse Operating Expenses

	Envi	ronmental
	Comp	oliance Plan
Total Monthly Beneficial Reuse Expense	\$	*
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

		Total	Ai	mount in	Net
	P	oceeds	Ba	ase Rates	Proceeds
		(1)		(2)	(1) - (2)
Allowance Sales	\$	-	\$	-	\$ -
Scrubber By-Products Sales		88,551		50,597	37,954
Total Proceeds from Sales	\$	88,551	\$	50,597	\$ 37,954

Revenue Requirements of Environmental Compliance Costs For the Expense Month of May 2011

Determination of Environmental Compliance Rate Base

	Enviromental Compliance Plan			
Eligible Pollution Control Plant	\$ 1,252,797,141			
Eligible Pollution CWIP Excluding AFUDC	142,424,012			
Subtotal		\$	1,395,221,153	
Additions:				
Inventory - Limestone	\$ 689,930		*	
Less: Limestone Inventory in base rates	76,473			
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	523,248			
Less: Allowance Inventory Baseline	69,415			
Net Emission Allowance Inventory	453,833			
Cash Working Capital Allowance	2,224,234			
Subtotal			3,291,524	
Deductions:				
Accumulated Depreciation on Eligible Pollution Control Plant	90,780,094			
Pollution Control Deferred Income Taxes	69,036,294			
Pollution Control Deferred Investment Tax Credit	27,341,841			
Subtotal			187,158,229	
Environmental Compliance Rate Base		\$	1,211,354,448	

Determination of Pollution Control Operating Expenses

	l	Enviromental ompliance Plan
Monthly Operations & Maintenance Expense	\$	1,790,381
Monthly Depreciation & Amortization Expense		3,901,949
Monthly Taxes Other Than Income Taxes		162,365
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		7,409
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense		2,547
Monthly Surcharge Consultant Fee		
Total Pollution Control Operations Expense	\$	5,857,242

Determination of Beneficial Reuse Operating Expenses

	Environmen	tal
	Compliance P	'lan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

	T	otal	Amount in			Net
	Pro	Proceeds		Base Rates		Proceeds
		(1)		(2)		(1) - (2)
Allowance Sales	\$	_	\$	-	\$	
Scrubber By-Products Sales		42,102		50,597		(8,495)
Total Proceeds from Sales	\$	42,102	\$	50,597	\$	(8,495)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of June 2011

Determination of Environmental Compliance Rate Base

	Enviromental	Enviromental Compliance Pla		
Eligible Pollution Control Plant	\$ 1,264,238,872			
Eligible Pollution CWIP Excluding AFUDC	140,939,582			
Subtotal		\$	1,405,178,454	
Additions:				
Inventory - Limestone	\$ 619,310			
Less: Limestone Inventory in base rates	76,473			
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	512,262			
Less: Allowance Inventory Baseline	69,415			
Net Emission Allowance Inventory	442,847			
Cash Working Capital Allowance	2,310,811			
Subtotal			3,296,495	
Deductions:				
Accumulated Depreciation on Eligible Pollution Control Plant	94,683,811			
Pollution Control Deferred Income Taxes	72,367,195			
Pollution Control Deferred Investment Tax Credit	27,217,701			
Subtotal			194,268,707	
Environmental Compliance Rate Base		\$	1,214,206,242	

Determination of Pollution Control Operating Expenses

		nviromental mpliance Plan
Monthly Operations & Maintenance Expense	\$	2,005,186
Monthly Depreciation & Amortization Expense		3,920,254
Monthly Taxes Other Than Income Taxes		162,352
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		11,026
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expensé		6,164
Monthly Surcharge Consultant Fee		
Total Pollution Control Operations Expense	. \$	6,093,956

Determination of Beneficial Reuse Operating Expenses

	Environmental	
	Compliance Plan	_
Total Monthly Beneficial Reuse Expense	\$ -	
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)	-	
Net Beneficial Reuse Operations Expense	\$ -	

	Total	Amount in	Net
	Proceeds	Base Rates	Proceeds
	(1)	(2)	(1) - (2)
Allowance Sales	\$ -	\$ -	\$ -
Scrubber By-Products Sales	40,878	50,597	(9,720)
Total Proceeds from Sales	\$ 40,878	\$ 50,597	\$ (9,720)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of July 2011

Determination of Environmental Compliance Rate Base

		Enviromental Compliance Plan		
Eligible Pollution Control Plant	1 9	1,264,238,872		
Eligible Pollution CWIP Excluding AFUDC		146,734,588		
Subtotal			\$	1,410,973,460
Additions:				
Inventory - Limestone	5	563,097		
Less: Limestone Inventory in base rates		76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33		501,264		
Less: Allowance Inventory Baseline		69,415		
Net Emission Allowance Inventory		431,849		
Cash Working Capital Allowance		2,368,745		
Subtotal				3,287,217
Deductions:				
Accumulated Depreciation on Eligible Pollution Control Plant		98,633,052		
Pollution Control Deferred Income Taxes		75,718,218		
Pollution Control Deferred Investment Tax Credit		27,217,701		
Subtotal				201,568,971
Environmental Compliance Rate Base			\$	1,212,691,706

Determination of Pollution Control Operating Expenses

		nviromental npliance Plan
Monthly Operations & Maintenance Expense	\$	1,865,556
Monthly Depreciation & Amortization Expense	1	3,939,299
Monthly Taxes Other Than Income Taxes		162,352
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		11,050
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense		6,188
Monthly Surcharge Consultant Fee		
Total Pollution Control Operations Expense	\$	5,973,395

Determination of Beneficial Reuse Operating Expenses

	Envi	ironmental
	Comp	pliance Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		
Net Beneficial Reuse Operations Expense	\$	-

	Total	1	Amount in		Net
	Proceeds		Base Rates		Proceeds
	(1)		(2)		(1) - (2)
Allowance Sales	\$ -	\$	-	\$	-
Scrubber By-Products Sales	49,53	1	50,597		(1,066)
Total Proceeds from Sales	\$ 49,53	1 \$	50,597	\$	(1,066)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of August 2011

Determination of Environmental Compliance Rate Base

	Enviromental Compliance Plan		
Eligible Pollution Control Plant	 1,264,238,872		
Eligible Pollution CWIP Excluding AFUDC	154,525,896		
Subtotal		\$	1,418,764,768
Additions:			
Inventory - Limestone	614,230		
Less: Limestone Inventory in base rates	76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	490,256		
Less: Allowance Inventory Baseline	69,415		
Net Emission Allowance Inventory	420,841		
Cash Working Capital Allowance	2,464,257		
Subtotal			3,422,855
Deductions:			
Accumulated Depreciation on Eligible Pollution Control Plant	102,582,293		
Pollution Control Deferred Income Taxes	79,069,241		
Pollution Control Deferred Investment Tax Credit	27,217,701		
Subtotal			208,869,235
Environmental Compliance Rate Base		\$	1,213,318,388

Determination of Pollution Control Operating Expenses

		nviromental mpliance Plan
Monthly Operations & Maintenance Expense] \$	2,435,952
Monthly Depreciation & Amortization Expense		3,939,299
Monthly Taxes Other Than Income Taxes		162,352
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		11,046
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense		6,184
Monthly Surcharge Consultant Fee		
Total Pollution Control Operations Expense	\$	6,543,787

Determination of Beneficial Reuse Operating Expenses

	Environm	ental
	Complianc	e Plan
Total Monthly Beneficial Reuse Expense	\$	
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

			Amount in Base Rates		Net Proceeds
	(1)		(2)		(1)-(2)
Allowance Sales	\$ -	\$	-	\$	-
Scrubber By-Products Sales	37,785		50,597		(12,812)
Total Proceeds from Sales	\$ 37,785	\$	50,597	\$	(12,812)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of September 2011

Determination of Environmental Compliance Rate Base

	Enviromental	Com	pliance Plan
Eligible Pollution Control Plant	\$ 1,264,238,872		
Eligible Pollution CWIP Excluding AFUDC	159,344,971		
Subtotal		\$	1,423,583,843
Additions:			
Inventory - Limestone	\$ 612,729		
Less: Limestone Inventory in base rates	76,473		
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	481,593		
Less: Allowance Inventory Baseline	69,415		
Net Emission Allowance Inventory	412,178		
Cash Working Capital Allowance .	2,523,192		
Subtotal			3,471,626
Deductions:			
Accumulated Depreciation on Eligible Pollution Control Plant	106,531,533		
Pollution Control Deferred Income Taxes	82,419,799		
Pollution Control Deferred Investment Tax Credit	27,217,701		
Subtotal			216,169,033
Environmental Compliance Rate Base		\$	1,210,886,436

Determination of Pollution Control Operating Expenses

	1	nviromental npliance Plan
Monthly Operations & Maintenance Expense	\$	1,788,869
Monthly Depreciation & Amortization Expense		3,939,299
Monthly Taxes Other Than Income Taxes		162,352
Monthly Insurance Expense		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)		7,836
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862
Net Recoverable Emission Allowance Expense		2,974
Monthly Surcharge Consultant Fee - Case No. 2011-00161		16,425
Total Pollution Control Operations Expense	\$	5,909,919

Determination of Beneficial Reuse Operating Expenses

	Environn	nental
	Compliance	ce Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense		-

Proceeds From By-Product and Allowance Sales

Troceeus From By-Froquet and Anowalice Sales	Total		Amount in		Net
	Proceeds		Base Rates	<u> </u>	Proceeds
	(1)		(2)		(1) - (2)
Allowance Sales	\$ 86	4 \$	-	\$	864
Scrubber By-Products Sales	39,43	9	50,597		(11,158)
Total Proceeds from Sales	\$ 40,30	3 \$	50,597	\$	(10,294)

\$

Revenue Requirements of Environmental Compliance Costs For the Expense Month of October 2011

Determination of Environmental Compliance Rate Base

	Enviromental Compliance Plan				
Eligible Pollution Control Plant	\$ 1,264,238,872				
Eligible Pollution CWIP Excluding AFUDC	182,770,493				
Subtotal		\$	1,447,009,365		
Additions:					
Inventory - Limestone	\$ 589,086				
Less: Limestone Inventory in base rates	76,473				
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	471,469				
Less: Allowance Inventory Baseline	69,415				
Net Emission Allowance Inventory	402,054				
Cash Working Capital Allowance	2,609,648				
Subtotal			3,524,315		
Deductions:					
Accumulated Depreciation on Eligible Pollution Control Plant	110,480,774				
Pollution Control Deferred Income Taxes	85,770,356				
Pollution Control Deferred Investment Tax Credit	27,217,701				
Subtotal			223,468,831		
Environmental Compliance Rate Base		\$	1,227,064,849		

Determination of Pollution Control Operating Expenses

	nviromental mpliance Plan
Monthly Operations & Maintenance Expense	\$ 1,589,445
Monthly Depreciation & Amortization Expense	3,939,299
Monthly Taxes Other Than Income Taxes	162,352
Monthly Insurance Expense	 -
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)	10,133
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)	4,862
Net Recoverable Emission Allowance Expense	 5,271
Monthly Surcharge Consultant Fee - Case No. 2011-00161	61,393
Total Pollution Control Operations Expense	\$ 5,757,759

Determination of Beneficial Reuse Operating Expenses

Determination of Determination Action Services	Environme	ntal
	Compliance	Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		
Net Beneficial Reuse Operations Expense	\$	-

		Total	An	Amount in		Net
	Pı	oceeds	Base Rates			Proceeds
		(1)		(2)		(1) - (2)
Allowance Sales	\$	-	\$	-	\$	-
Scrubber By-Products Sales		41,032		50,597		(9,565)
Total Proceeds from Sales	\$	41,032	\$	50,597	\$	(9,565)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of November 2011

Determination of Environmental Compliance Rate Base

		Enviromental Compliance Plan				
Eligible Pollution Control Plant	\$ 1,	264,238,872				
Eligible Pollution CWIP Excluding AFUDC		188,754,688				
Subtotal			\$	1,452,993,560		
Additions:						
Inventory - Limestone	\$	661,141				
Less: Limestone Inventory in base rates		76,473				
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33		460,727				
Less: Allowance Inventory Baseline		69,415				
Net Emission Allowance Inventory		391,312				
Cash Working Capital Allowance		2,725,817				
Subtotal				3,701,797		
Deductions:						
Accumulated Depreciation on Eligible Pollution Control Plant		114,430,015				
Pollution Control Deferred Income Taxes		89,120,914				
Pollution Control Deferred Investment Tax Credit		27,155,631				
Subtotal				230,706,560		
Environmental Compliance Rate Base			\$	1,225,988,797		

Determination of Pollution Control Operating Expenses

	Enviromental empliance Plan
Monthly Operations & Maintenance Expense	\$ 1,970,117
Monthly Depreciation & Amortization Expense	3,939,299
Monthly Taxes Other Than Income Taxes	162,352
Monthly Insurance Expense	-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33 (See Note 1)	10,743
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)	4,862
Net Recoverable Emission Allowance Expense	5,881
Monthly Surcharge Consultant Fee - Case No. 2011-00161	8,480
Total Pollution Control Operations Expense	\$ 6,086,129

Determination of Beneficial Reuse Operating Expenses

	Environme	ental
	Compliance	Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		
Net Beneficial Reuse Operations Expense	\$	-

	Total		Ā	mount in	Net
	Proceeds		Base Rates		 Proceeds
	(1)		(2)		(1) - (2)
Allowance Sales	\$	-	\$	-	\$ m.
Scrubber By-Products Sales		46,327		50,597	(4,271)
Total Proceeds from Sales	\$	46,327	\$	50,597	\$ (4,271)

Revenue Requirements of Environmental Compliance Costs For the Expense Month of December 2011

Determination of Environmental Compliance Rate Base

	P	re-2011 Enviromer	ıtal (Compliance Plans	2011 Envirome	ıtal Co	ompliance Plan
Eligible Pollution Control Plant	\$	1,316,450,254			\$ -		
Eligible Pollution CWIP Excluding AFUDC	T	160,117,611			19,254,282		
Subtotal			\$	1,476,567,865		\$	19,254,282
Additions:							
Inventory - Limestone	\$	708,595					
Less: Limestone Inventory in base rates	T	76,473					
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33	\perp	450,225					
Less: Allowance Inventory Baseline		69,415					
Net Emission Allowance Inventory		380,810					
Cash Working Capital Allowance	Т	2,649,591			115,073		
Subtotal				3,662,522			115,073
Deductions:							
Accumulated Depreciation on Eligible Pollution Control Plant	T	118,457,818					
Pollution Control Deferred Income Taxes	T	92,960,020			-		
Pollution Control Deferred Investment Tax Credit	T	27,155,631					
Subtotal				238,573,469			-
Environmental Compliance Rate Base			\$	1,241,656,918		\$	19,369,355

Determination of Pollution Control Operating Expenses

		Pre-2011		
	En	vironmental	2011	Environmental
	Con	pliance Plan	Com	pliance Plan
Monthly Operations & Maintenance Expense	\$	1,063,355	\$	920,585
Monthly Depreciation & Amortization Expense		4,017,862		-
Monthly Taxes Other Than Income Taxes		162,352		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33		10,502		
Add KU Current Month TC2 SQ Emission Allowance Expense not reflected on ES Form 2.31		0		
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862		
Net Recoverable Emission Allowance Expense		5,640		
Monthly Surcharge Consultant Fee				16,258
Construction Monitoring Consultant Fee				-
Total Pollution Control Operations Expense	\$	5,249,209	\$	936,843

Determination of Beneficial Reuse Operating Expenses

		onmental
	Compl	iance Plan
Total Monthly Beneficial Reuse Expense	\$	-
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-
Net Beneficial Reuse Operations Expense	\$	-

		Total		Amount in		Net	
	P	Proceeds		Base Rates		Proceeds	
		(1)		(2)		(1) - (2)	
Allowance Sales	\$	-	\$	-	\$	-	
Scrubber By-Products Sales		53,014		50,597		2,416	
Total Proceeds from Sales	\$	53,014	\$	50,597	\$	2,416	

Monthly Average Revenue Computation of R (m) for GROUP 1 AND GROUP 2

For the Month Ended: December 31, 2011

(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)	
(1)	(2)		<u> </u>					Total	
	Non-fuel Base Rate	Base Rate	Fuel Clause	DSM	Environmental Surcharge	Total _,	. 1	Excluding Environmental Surcharge	
Month	Revenues	Fuel Component	Revenues	Revenues	Revenues	(2)+(2)+(4)+(5)+(6)	ĺ	(7)-(6)	
						(2)+(3)+(4)+(5)+(6)	S	132,386,258	
Jan-11	\$ 79,737,150	\$ 54,246,175			\$ 5,407,256			116,588,648	
Feb-11	67,038,171	45,209,443	2,435,023	1,906,011	3,026,209			105,689,933	
Mar-11	62,170,354	41,905,870	45,175	1,568,534	169,800		\$	95,882,475	
Apr-11	56,843,357	38,004,130	(228,729)		2,360,485			91,980,703	
May-11	55,933,365	35,702,353	(742,243)		2,471,733	\$ 94,452,436	\$	107,968,505	
Jun-11	64,274,550	42,040,661	381,783	1,271,511	3,699,167	\$ 111,667,672	\$	113,758,668	
Jul-11	67,568,168	42,674,259	2,120,794	1,395,447	4,011,785		3	123,043,042	
Aug-11	72,619,227	46,902,303	1,916,931	1,604,581	3,072,496		\$		
Sep-11	66,398,438	43,186,740	4,966,213	1,342,933	2,188,184		\$	115,894,324 100,772,017	
Oct-11	57,391,197	38,932,694	3,485,600	962,525	1,928,584		\$	89,304,719	
Nov-11	52,704,870	33,557,570	2,079,249	963,030	2,749,517				
Dec-11	60,036,690	39,439,553	(2,870,818)	1,272,580	3,531,568	\$ 101,409,572	\$	97,878,004	
Average Monthly J	Average Monthly Jurisdictional Revenues, Excluding Environmental Surcharge,								
for 12 Months End	ing Current Expense Mo	onth.	D	om 3 10 =			S	97,878,004	
Total Kentucky Jur	risdictional Revenues fo	r Environmental Surcha	Month	лш э.то –				100.00%	
GROUP 1 Revenue	es as a Percentage of To	tal Revenues for Curren	t IMORIII						

	(3)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(1) Month	(2) Non-fuel Base Rate Revenues	Base Rate Fuel Component	Fuel Clause Revenues	DSM Revenues	Environmental Surcharge Revenues	Total (2)+(3)+(4)+(5)+(6)	Total Excluding Environmental Surcharge (7)-(6)	Total Non-Fuel Revenues plus DSM (2)+(5)
Jan-11						-	\$ -	\$ -
Feb-11						\$ -	<u> </u>	\$ -
Mar-11						\$ -	\$ -	<u> </u>
Apr-11						<u>-</u>	<u> </u>	\$ -
May-11						<u> </u>	<u>S</u>	9 -
Jun-11						\$ -	19	9 .
Jul-11						<u> </u>	\ <u>S</u> -	\$ -
Aug-11					<u> </u>	S -	8 -	\$ -
Sep-11					 	5 -	\s\ -	\$ -
Oct-11						\s\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	\$ -	\$ -
Nov-11					 	<u> </u>	<u>s</u> -	\$ -
Dec-11		-		<u> </u>		1.9		
Average Monthly Ju	risdictional Revenues	Excluding Environmenta	al Surcharge and Fuel,					s <u>-</u>
for 12 Months Endin	a Current Evnense M	onth		2 10 -			\$ 97,878,004	
Total Kentucky Juris	dictional Revenues fo	r Environmental Surchar	ge Purposes from ES ro	m 3.10 =			0.00%	
GROUP 2 Revenues	as a Percentage of To	otal Revenues for Current	Month					

KENTUCKY UTILITIES

Off-System Sales Revenue Adjustment for the ECR Calculation For the Twelve Months Ended December 31, 2011

	(1)	(2)	(3)	(4)
				Off-System
	KU	Total	Average	Sales
	Off-System	Environmental	. Environmental	Environmental
	Sales	Surcharge	Surcharge	Cost
	Revenue	Factor	Factor	(Col. 1 * 3)
		(Page 2, Col. 3)		
Jan-11	3,292,556	13.07%	13.18%	433,959
Feb-11	3,901,358	13.60%	13.18%	514,199
Mar-11	2,985,203	12.97%	13.18%	393,450
Apr-11	949,605	12.80%	13.18%	125,158
May-11	3,354,999	12.42%	13.18%	442,189
Jun-11	4,125,254	12.56%	13.18%	543,708
Jul-11	3,209,313	12.63%	13.18%	422,987
Aug-11	1,733,633	13.35%	13.18%	228,493
Sep-11	2,458,310	13.75%	13.18%	324,005
Oct-11	5,362,669	13.37%	13.18%	706,800
Nov-11	2,048,034	13.83%	13.18%	269,931
Dec-11	3,345,362	13.87%	13.18%	440,919
Total	\$ 36,766,296			\$ 4,845,798
Average		13.18%		
Kentucky Jurisdi	iction (Ref. Sch. Al	locators)		86.773%
Total				\$ 4,204,844
Adjustment				\$ (4,204,844)

KENTUCKY UTILITIES

Off-System Sales Revenue Adjustment for the ECR Calculation For the Twelve Months Ended December 31, 2011

	(1)	(2)	(3) Total
	Adjusted		Environmental
	Jurisdictional	Jurisdictional	Surcharge
	E(m) (a)	R(m) (a)	Factor
			(Col. 1 / 2)
Jan-11	13,904,381	106,403,777	13.07%
Feb-11	14,549,287	107,016,860	13.60%
Mar-11	13,879,425	107,050,264	12.97%
Apr-11	13,768,044	107,531,674	12.80%
May-11	13,439,156	108,246,609	12.42%
Jun-11	13,701,297	109,115,040	12.56%
Jul-11	13,799,729	109,303,925	12.63%
Aug-11	14,565,804	109,140,745	13.35%
Sep-11	14,929,529	108,584,502	13.75%
Oct-11	14,559,276	108,871,982	13.37%
Nov-11	15,026,352	108,673,513	13.83%
Dec-11	14,920,920	107,595,608	13.87%
Average			13.18%

⁽a) ES Form 1.10

Kentucky Utilities Company Jurisdictional Utility Revenues December 31, 2011

Current Month		Year	to Date	Year Ended Current Month		
· Kentucky Only	This Year	Last Year	This Year	Last Year	This Year	Last Year
onidantial Cala						
esidential Salesnall Commercial and Industrial Sales	\$ 47,988,375.38	\$ 64,633,053.34	\$ 493,167,717.03	\$ 507,149,614.38		
area Commercial Sales	14,341,239.39	16,290,100.33	177,368,049.63		\$ 493,167,717.03	\$ 507,149,614.
arge Commercial Sales	10,432,119.75	13,552,378.13	153;478,796.41	169,057,147.22	177,368,049.63	169,057,147.3
arge Industrial Sales	26,564,713.72	26,813,733.79	•	156,054,735.56	153,478,796.41	156,054,735.
line Power	2,494,770.91		333,374,938.84	315,272,945.34	333,374,938.84	315,272,945.
ublic Street and Highway Lighting	763,827.61	3,218,867.38	31,439,098.55	32,341,102.17	31,439,098.55	32,341,102.
ther Sales to Public Authorities	,	988,675.68	10,752,067.99	10,595,234.96	10,752,067.99	
funicipal Pumping	6,000,776.36	10,065,394.97	104,491,353.23	98,314,510.52	104,491,353.23	10,595,234.
ate Refunds	374,424.02	426,322.15	4,700,344.05	4,540,381.37		98,314,510.
			, ,	6.12	4,700,344.05	4,540,381.
Total Electric Revenue - Ultimate Consumers	100.000.000			0.12	-	6.
Companies and Co	108,960,247.14	135,988,525.77	1,308,772,365.73	1,293,325,677.64	1,308,772,365.73	1,293,325,677.
ales for Resale	20.00:				•	
ntercompany Sales for Resale	22,804.55	•	4,364,303.42	190,343,93	1361707 10	<u> </u>
Vholesale Sales	3,322,557.64	984,022.79	32,401,992.52	.13,775,333.51	4,364,303.42	190,343
ettled Swan Devenue	8,049,227.69	8,707,299.85	103,730,191.53		32,401,992.52	13,775,333
ettled Swap Revenue	•	-	231,838.17	103,291,802.77	103,730,191.53	103,291,802
ettled Swap Expense	-	_	•	31,586.52	231,838.17	31,586
ate Charge Payments	427,151.69	758,626.67	(574,533.43)	(11,867.02)	(574,533.43)	(11,867.
discellaneous Service Revenue	182,102.82	•	7,457,495.97	9,988,850.61	7,457,495.97	9,988,850.
tent from Electric Property	•	109,782.09	2,341,512.20	2,197,507.35	2,341,512.20	
Other Electric Revenue	(134,978.61)	48,105.52	1,685,513.88	941,884,34		2,197,507.
	1,296,927.59	1,004,133.98	14,709,782.04	10,533,681.78	1,685,513.88	941,884.
otal Electric Operating Revenue	£ 122.124.046.44			10,555,001.76	14,709,782.04	10,533,681.
	\$ 122,126,040.51	\$ 147,600,496.67	\$ 1,475,120,462.03	\$ 1,434,264,801.43	\$ 1,475,120,462.03	\$ 1,434,264,801.
Virginia Only					ED36,766;	296
lesidential Sales	\$ 4165.788.40					
mall Commercial and Industrial Sales	4 1,100,700,49	\$ 6,437,219.11	\$ 32,436,910.41	\$ 38,559,512.54	\$ 32.436.910.41	
arge Commercial Sales	641,763.69	1,005,951.27	6,454,197.04	7,489,242.95		\$ 38,559,512
arge Industrial Sales	804,973.85	1,208,563.95	9,698,647.17	9,990,934.89	6,454,197.04	7,489,242
fine Power	288,023.61	217,105.64	3,124,274.32		9,698,647.17	9,990,934
Aine Power	1,115,827.45	1,520,141.60	13,391,315.25	1,614,283.33	3,124,274.32	1,614,283
ublic Street and Highway Lighting	15,786.55	33,470.20	395,101.75	13,102,181.57	13,391,315.25	13,102,181
Other Sales to Public Authorities	525,149,76	857,358.93	•	312,286.01	395,101.75	312,286
Aunicipal Pumping	16,520,18	22,632.58	6,193,969.67	6,551,117.89	6,193,969.67	6,551,117
ate Refunds		22,032.38	171,475.49	197,448.34	171,475.49	197,448
			-	(632,390.04)	-	(632,390
Total Electric Revenue - Ultimate Consumers	7,573,833.58	11,302,443.28	71,865,891.10	77,184,617.48	71,865,891.10	-
ate Charge Payments	23,911.45	16.572.01				77,184,617.
Aiscellaneous Service Revenue	•	16,573.21	212,213.81	95,931.55	212,213.81	06.021
tent from Electric Property	13,897.13	6,353.59	129,150.67	111,635.34	129,150.67	95,931.
Other Electric Revenue	15,989.62	4,062.88	171,029.49	48,169.20		111,635.
	10,637.50	61.00	18,239.00	4,557.00	171,029.49	48,169
otal Electric Operating Revenue			10,207.00	4,557.00	18,239.00	4,557.

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of January 2011

Calculation of Total E(m)

E(m) = [(RB / 12)]	(ROR+(RO	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	==	Environmental Compliance Rate Base
ROR	==	Rate of Return on the Environmental Compliance Rate Base
DR	=	Debt Rate (both short-term and long-term debt)
TR	==	Composite Federal & State Income Tax Rate
OE	=	Pollution Control Operating Expenses
BAS	=	Total Proceeds from By-Product and Allowance Sales
BR	=	Beneficial Reuse Operating Expenses

	1				Environmental Compliance Plans			
(1)	RB			=	\$	1,217,833,316		
(2)	RB / 12			***	\$	101,486,110		
(3)	(ROR + (ROR - DR) (ΓR / (1 - TR)))		=		10.86%		
(4)	OE			=	\$	5,373,215		
(5)	BAS			=	\$	(32,084)		
(6)	BR		•	=	\$	•		
(7)	E(m)	(2) x (3) + (4) - (5) + (6)		=	\$	16,426,691		

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	85.12%
(9)	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)]	= \$	13,982,399
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00241	ᇳ	-
(11)	Prior Period Adjustment (if necessary)	=	(78,018)
(12)	Adjusted Jurisdictional $E(m)$ [(9) + (10) + (11)]		13,904,381
(13)	Revenue Collected through Base Rates	= \$	13,818,379
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	86,002
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	106,403,777
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	0.08%
i			

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of February 2011

Calculation of Total E(m)

E(m) = [{RB / 12} (ROR+(ROR ·DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses

BAS = Total Proceeds from By-Product and Allowance Sales

BR = Beneficial Reuse Operating Expenses

	***************************************			Environn	nental Compliance Plans
(1)	RB			\$	1,214,036,916
(2)	RB / 12			\$	101,169,743
	(ROR + (ROR - 1	DR) (TR / (1 - TR)))	=		10.86%
(4)	OE .		=	\$	5,906,623
(5)	BAS		=	\$	(12,324)
(6)	BR		==	\$	•
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	16,905,981

	·		
(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	86.06%
(9)	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)]	=	\$ 14,549,287
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00241	==	n
(11)	Prior Period Adjustment (if necessary)	***	-
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	=	14,549,287
(13)	Revenue Collected through Base Rates	=	\$ 11,827,563
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	200	\$ 2,721,724
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	=	\$ 107,016,860
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14)÷(15)]	=	2.54%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of March 2011

Calculation of Total E(m)

E(m) = [(RB / 12) +	(ROR+(RO	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	=	Environmental Compliance Rate Base
ROR	=	Rate of Return on the Environmental Compliance Rate Base
DR	=	Debt Rate (both short-term and long-term debt)
TR	==	Composite Federal & State Income Tax Rate
OE	=	Pollution Control Operating Expenses
BAS	=	Total Proceeds from By-Product and Allowance Sales
BR	=	Beneficial Reuse Operating Expenses

				Environn	nental Compliance Plans
(1)	RB		=	\$	1,214,135,093
(2)	RB / 12		=	\$	101,177,924
(3)	(ROR + (ROR -	DR) (TR / (1 - TR)))	==		11.04%
(4)	OE		=	\$	5,696,454
(5)	BAS		==	\$	(295,642)
(6)	BR		***	\$	•
(7)	E(m)	(2) \times (3) + (4) \cdot (5) + (6)	=	\$	17,162,138

		1
Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	86,01%
Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) \times (8)]$	= \$	14,761,155
Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	=	(881,730)
Prior Period Adjustment (if necessary)	==	-
Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	=	13,879,425
Revenue Collected through Base Rates	= \$	10,993,252
Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	2,886,173
Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	107,050,264
Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	2.70%
	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)] Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474 Prior Period Adjustment (if necessary) Adjusted Jurisdictional E(m) [(9) + (10) + (11)] Revenue Collected through Base Rates Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)] Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)] = \$ Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474 = Prior Period Adjustment (if necessary) = Adjusted Jurisdictional E(m) [(9) + (10) + (11)] = Revenue Collected through Base Rates = \$ Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)] = \$ Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00 = \$

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of April 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(RO	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	=	Environmental Compliance Rate Base
ROR	=	Rate of Return on the Environmental Compliance Rate Base
DR	=	Debt Rate (both short-term and long-term debt)
TR	==	Composite Federal & State Income Tax Rate
OE	=	Pollution Control Operating Expenses
BAS	222	Total Proceeds from By-Product and Allowance Sales
BR	=	Reneficial Reuse Operating Expenses

					Environ	nental Compliance Plans
(1)				=	\$ \$	1,212,576,264
(2)		(1 - TR)))	•	=	3	101,048,022 11.04%
(4)		(,,,		==	\$	5,661,285
(5)	BAS			==	\$	37,954
(6)	BR			=	\$	•
(7)	E(m)	(2) x (3) + (4) - (5) + (6)		=	\$	16,779,033

Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	87.31%
Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	= \$	14,649,774
Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	==	(881,730)
Prior Period Adjustment (if necessary)	=	-
Adjusted Jurisdictional E(m) [(9) + (10) + (11)]		13,768,044
Revenue Collected through Base Rates	= \$	10,044,427
Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	3,723,617
Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	107,531,674
Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	<u> </u>	3.46%
	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)] Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474 Prior Period Adjustment (if necessary) Adjusted Jurisdictional E(m) [(9) + (10) + (11)] Revenue Collected through Base Rates Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)] Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)] = \$ Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474 = Prior Period Adjustment (if necessary) = Adjusted Jurisdictional E(m) [(9) + (10) + (11)] = \$ Revenue Collected through Base Rates = \$ Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)] = \$ Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00 = \$

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of May 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses

BAS = Total Proceeds from By-Product and Allowance Sales

BR = Beneficial Reuse Operating Expenses

				Environ	nental Compliance Plans
(I)	RB		=	\$	1,211,354,448
(2)	RB / 12		=	\$	100,946,204
(3)	(ROR + (ROR - I	DR) (TR / (1 - TR)))	===		11.04%
(4)	OE		==	\$	5,857,242
(5)	BAS		=	\$	(8,495)
	BR		=	\$	
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,010,198

	· · · · · · · · · · · · · · · · · · ·		
(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	84.19%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	= \$	14,320,886
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	=	(881,730)
(11)	Prior Period Adjustment (if necessary)	= .	• [
(12)	Adjusted Jurisdictional $E(m) [(9) + (10) + (11)]$	=	13,439,156
(13)	Revenue Collected through Base Rates	= \$	9,618,565
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	3,820,591
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	108,246,609
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	3,53%
			. 1

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of June 2011

Calculation of Total E(m)

E(m) = [(RB / 12)]	(ROR+(RO	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	=	Environmental Compliance Rate Base
ROR	=	Rate of Return on the Environmental Compliance Rate Base
DR	***	Debt Rate (both short-term and long-term debt)
TR	==	Composite Federal & State Income Tax Rate
OE	=	Pollution Control Operating Expenses
BAS	=	Total Proceeds from By-Product and Allowance Sales
BR	===	Beneficial Reuse Operating Expenses

				Environ	mental Compliance Plans
(1)	RB		=	\$	1,214,206,242
(2)	RB / 12		=	\$	101,183,854
(3)	(ROR + (ROR -	DR) (TR / (1 - TR)))	=		11.04%
(4)	OE		=	\$	6,093,956
(5)	BAS		=	\$	(9,720)
(6)	BR		==	\$	•
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,274,374

Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	==	84.42%
Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)]	= \$	14,583,027
Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	=	(881,730)
Prior Period Adjustment (if necessary)	=	•
Adjusted Jurisdictional $E(m) = [(9) + (10) + (11)]$	=	13,701,297
Revenue Collected through Base Rates	= \$	11,018,257
Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	2,683,040
Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	109,115,040
Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	2.46%
	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)] Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474 Prior Period Adjustment (if necessary) Adjusted Jurisdictional E(m) [(9) + (10) + (11)] Revenue Collected through Base Rates Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)] Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)] = \$ Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474 = Prior Period Adjustment (if necessary) = Adjusted Jurisdictional E(m) [(9) + (10) + (11)] = Revenue Collected through Base Rates = \$ Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)] = \$ Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00 = \$

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of July 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses

BAS = Total Proceeds from By-Product and Allowance Sales

BR = Beneficial Reuse Operating Expenses

				Environn	ental Compliance Plans	
(1)	RB		=	\$	1,212,691,706	
(2)	RB / 12		=	\$	101,057,642	
(3)	(ROR + (ROR - DI	R) (TR / (1 - TR)))	-		11.04%	
(4)	OE		=	\$	5,973,395	
(5)	BAS		=	\$	(1,066)	
(6)	BR		=	\$	•	
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,131,224	

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	85.70%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) \times (8)]$	= \$	14,681,459
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	==	(881,730)
(11)	Prior Period Adjustment (if necessary)	==	•
(12)	Adjusted Jurisdictional $E(m)$ [(9) + (10) + (11)]	=	13,799,729
(13)	Revenue Collected through Base Rates	= \$	11,760,729
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	2,039,000
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	109,303,925
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	==	1.87%
I			

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of August 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(RO	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	=	Environmental Compliance Rate Base
ROR	=	Rate of Return on the Environmental Compliance Rate Base
DR	=	Debt Rate (both short-term and long-term debt)
TR	=	Composite Federal & State Income Tax Rate
OE	==	Pollution Control Operating Expenses
BAS	=	Total Proceeds from By-Product and Allowance Sales
pp		Banaficial Dauce Operating Evpences

	, () () () () () () () () () (Enviro	onmental Compliance Plans
(1)	RB RB/12			\$ \$	1,213,318,388 101,109,866
(2)	(ROR + (ROR - DR) (TR /	(1 - TR)))	=	J	11.04%
(4)	OE		=	\$	6,543,787
(5)	BAS		=	\$	(12,812)
(6)	BR		=	\$	•
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,719,128

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	==	87.18%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	=	\$ 15,447,536
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	==	(881,732)
(11)	Prior Period Adjustment (if necessary)	=	•
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	=	14,565,804
(13)	Revenue Collected through Base Rates	=	\$ 12,465,088
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	=	\$ 2,100,716
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	=	\$ 109,140,745
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	==	1.92%

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of September 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(RC	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	===	Environmental Compliance Rate Base
ROR	=	Rate of Return on the Environmental Compliance Rate Base
DR	=	Debt Rate (both short-term and long-term debt)
TR	=	Composite Federal & State Income Tax Rate
OE	=	Pollution Control Operating Expenses
BAS	***	Total Proceeds from By-Product and Allowance Sales
BR	=	Beneficial Reuse Operating Expenses

				Environmental Compliance Plans		
(1) (2)	RB / 12	(4. ETP.))	=	\$ \$	1,210,886,436 100,907,203 11.04%	
(3) (4) (5)	(ROR + (ROR - DR) (TR / (OE BAS	I - IR)))		\$ \$	5,909,919 (10,294)	
(6)	BR		=	\$		
(7)	E(m)	(2) x (3) + (4) - (5) + (6)	=	\$	17,060,369	

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	87.51%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	= \$	14,929,529
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	==	-
(11)	Prior Period Adjustment (if necessary)	=	-
(12)	Adjusted Jurisdictional $E(m)$ [(9) + (10) + (11)]	=	14,929,529
(13)	Revenue Collected through Base Rates	= \$	11,546,729
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	= \$	3,382,800
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	= \$	108,584,502
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	3.12%
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KENTUCKY UTILITIES COMPANY ENVIRONMENTAL SURCHARGE REPORT

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of October 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(RO	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	===	Environmental Compliance Rate Base
ROR	=	Rate of Return on the Environmental Compliance Rate Base
DR	==	Debt Rate (both short-term and long-term debt)
TR	=	Composite Federal & State Income Tax Rate
OE	===	Pollution Control Operating Expenses
BAS	=	Total Proceeds from By-Product and Allowance Sales
BR	==	Beneficial Reuse Operating Expenses

			Environ	nental Compliance Plans
(1) RB (2) RB / 12 (3) (ROR + (ROR - (4) OE (5) BAS (6) BR	DR) (TR / (1 - TR)))	· = = = = = = =	\$ \$ \$ \$	1,227,064,849 102,255,404 11,04% 5,757,759 (9,565)
(7) E(m)	(2) x (3) + (4) - (5) + (6)	522	\$	17,056,321

Calculation of Jurisdictional Environmental Surcharge Billing Factor

(8)	Jurisdictional Allocation Ratio for Expense Month ES Form 3.00	=	85.36%
(9)	Jurisdictional E(m) = E(m) x Jurisdictional Allocation Ratio [(7) x (8)]	===	\$ 14,559,276
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	==	•
(11)	Prior Period Adjustment (if necessary)	=	-
(12)	Adjusted Jurisdictional $E(m) = [(9) + (10) + (11)]$	=	14,559,276
(13)	Revenue Collected through Base Rates	8	\$ 10,611,735
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue Collected Through Base Rates [(12) - (13)]	==	\$ 3,947,541
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12 Months Ending with the Current Expense Month ES Form 3.00	=	\$ 108,871,982
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	3.63%
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KENTUCKY UTILITIES COMPANY ENVIRONMENTAL SURCHARGE REPORT

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of November 2011

Calculation of Total E(m)

E(m) = [(RB / 12)]	(ROR+(RO	OR -DR)(TR/(1-TR)))] + OE - BAS + BR, where
RB	==	Environmental Compliance Rate Base
ROR	***	Rate of Return on the Environmental Compliance Rate Base
DR	=	Debt Rate (both short-term and long-term debt)
TR	=	Composite Federal & State Income Tax Rate
OE	=	Pollution Control Operating Expenses
BAS	=	Total Proceeds from By-Product and Allowance Sales
BR	==	Beneficial Reuse Operating Expenses

	· · · · · · · · · · · · · · · · · · ·			Environmental Compliance Plans		
(1)	RB		=	\$	1,225,988,797	
(2)	RB / 12		==	\$	102,165,733	
(3)	(ROR + (ROR -	DR) (TR / (1 - TR)))	=		11.04%	
(4)	OE		==	\$	6,086,129	
(5)	BAS		=	\$	(4,271)	
(6)	BR		===	\$	-	
(7)	E(m)	(2) x (3) + (4) ~ (5) + (6)	=	\$	17,369,497	

Calculation of Jurisdictional Environmental Surcharge Billing Factor

(8)	Jurisdictional Allocation Ratio for Expense Month - ES Form 3.00	==	86.51%
(9)	Jurisdictional $E(m) = E(m) \times Jurisdictional Allocation Ratio [(7) x (8)]$	= \$	15,026,352
(10)	Adjustment for (Over)/Under-collection pursuant to Case No. 2010-00474	==	-
(11)	Prior Period Adjustment (if necessary)	= .	-
(12)	Adjusted Jurisdictional E(m) [(9) + (10) + (11)]	=	15,026,352
` ′	• • • • • • • • • • • • • • • • • • • •		
(13)	Revenue Collected through Base Rates	= \$	9,449,751
()		-	.,,
(14)	Net Jurisdictional E(m) = Jurisdictional E(m) less Expense Month Revenue		
(1)	Collected Through Base Rates [(12) - (13)]	= S	5,576,601
1	Conseiled Introdest Parts (12) (12)	•	*,,
(15)	Jurisdictional R(m) = Average Monthly Jurisdictional Revenue for the 12		
()	Months Ending with the Current Expense Month ES Form 3.00	= \$	108,673,513
		-	, ,
(16)	Jurisdictional Environmental Surcharge Billing Factor [(14) ÷ (15)]	=	5.13%
1	3		

KENTUCKY UTILITIES COMPANY ENVIRONMENTAL SURCHARGE REPORT

Calculation of Total E(m) and Jurisdictional Surcharge Billing Factor

For the Expense Month of December 2011

Calculation of Total E(m)

E(m) = [(RB / 12) (ROR+(ROR -DR)(TR/(1-TR)))] + OE - BAS + BR, where

RB = Environmental Compliance Rate Base

ROR = Rate of Return on the Environmental Compliance Rate Base

DR = Debt Rate (both short-term and long-term debt)

TR = Composite Federal & State Income Tax Rate

OE = Pollution Control Operating Expenses Rate on Resum on ...

Debt Rate (both short-term and long-term debt)

Composite Federal & State Income Tax Rate

Pollution Control Operating Expenses

Total Proceeds from By-Product and Allowance Sales

Beneficial Reuse Operating Expenses

BAS

BR

	Pre-2011 Environmental Compliance Plans		2011 Environmental Compliance Plans	
(I) RB	= \$	1,241,656,918 \$	19,369,355	
(2) RB/12	= \$	103,471,410 \$	1,614,113	
(3) (ROR + (ROR - DR) (TR / (1 - TR)))	=	11.04%	10.59%	
(4) OE	= \$	5,249,209 \$	936,843	
(5) BAS	= \$	2,416	Not Applicable	
(6) BR	= \$	•	Not Applicable	
(7) E(m) (2) x (3) + (4) - (5) + (6)	= \$	16,670,037 \$	1,107,778	
(8) Total E(m) = sum of Pre-2011 E(m) + 2011 E(m)	= \$	17,777,815		

Calculation of Adjusted Total Jurisdictional E(m)

(9)	Jurisdictional Allocation Ratio for Expense Month ES Form 3 10	=	83.93%
(10)	Jurisdictional E(m) = Total E(m) x Jurisdictional Allocation Ratio [(8) x (9)]	= \$	14,920,920
(11)	Prior Period Adjustment related to Rate Base or OE (if necessary)	= \$	-
(12)	Adjusted Total Jurisdictional E(m) [(10) + (11)]	=	14,920,920

Calculation of Group Environmental Surcharge Billing Factors

		GRO	OUP 1 (Total Revenue) GROUP 2	(Net Revenue)
(13)	Revenue as a Percentage of Total Revenue for Current Month ~ ES Form 3.00	222	100%	0%
(14)	Group E(m) [(12) x (13)]	= \$	14,920,920 \$	-
(15)	Adjustment for (Over)/Under-collection pursuant to Case No.	= S	- \$	•
(16)	Prior Period Adjustment related to Revenue (if necessary)	= \$	- \$	-
(17)	Revenue Collected through Base Rates	= \$	10,705,782	-
(18)	Net Group E(m) = Group E(m) less Expense Month Revenue Collected Through Base Rates [(14) + (15) + (16) - (17)]	= S	4,215,138	-
(19)	Group R(m) = Average Monthly Group Revenue for the 12 Months Ending with the Current Expense Month – ES Form 3 00	= \$	107,595,608 \$	-
(20)	Group Environmental Surcharge Billing Factors [(18) + (19)]	=	3.92%	0.00%

To Eliminate Net Brokered and Financial Swap Revenues and Expenses For the Twelve Months Ended December 31, 2011

1. Brokered and Financial Swap Revenues	\$	231,838
2. Brokered and Financial Swap Expenses recorded in revenues		574,533
3. Net Brokered and Financial Swap Revenues		(342,695)
4. Kentucky Jurisdiction (Ref. Sch. Allocators)	•	86.773%
5. Kentucky Jurisdiction Net Brokered and Financial Swap Revenues	\$	(297,367)
Kentucky Jurisdiction Net Brokered and Financial Swap Revenues adjustment	\$	297,367
7. Operating Expenses related to Brokered and Financial Swap		6,501 *
8. Kentucky Jurisdiction (Ref. Sch. Allocators)	-	86.773%
9. Kentucky Jurisdiction Brokered and Financial Swap Operating Expenses	\$	5,641
10. Kentucky Jurisdiction Net Brokered and Financial Swap Operating Expenses adjustment	\$	(5,641)
11. Net Kentucky Jurisdictional adjustment (Line 6 - Line 10)	\$	303,008

^{*}NOTE: Reflects 0.14% of total labor and labor related costs from regulated trading sales activities.

To Eliminate Electric Brokered Sales Revenues and Expenses For the Test Year Ended December 31, 2011

Regulated Trading Labor For Year Ended January 1, 2011 through December 31, 2011

1 Total Labor		\$ <u>Total</u> 4,736,545
2 Brokered/Swap Trading Percentage	_	 1.64%
3 Total Brokered/Swap Trading Expense	=	77,570
4 KU 5 LG&E 6	8.4% 91.6% _	6,501 71,069 77,570

To Eliminate Electric Brokered Sales Revenues and Expenses For the Test Year Ended December 31, 2011

	TME DEC 2011 REVENUES	TME DEC 2011 KWH	TOTAL BROKERED & SWAP REVENUES
1 KU 2 LG&E 3 TOTAL BROKERED	-		
4 KU 5 LG&E 6 TOTAL SETTLED SWAP REVENUE	231,838 2,534,557 2,766,396		
7 KU 8 LG&E 9 Total sales for Resale	4,364,303 60,437,290 64,801,594	99,010,000 1,544,495,000 1,643,505,000	
10 KU 11 LG&E 12 TOTAL BROKERED, SWAP & SFR (EXCLUDES INTERCOMPANY)	4,596,142 62,971,848 67,567,989	99,010,000 1,544,495,000 1,643,505,000	8.4% 91.6% 100.0%
13 BROKERED/SWAP TO TOTAL PERCENT	4.1%	0.0%	
14 STAFF TRADING PERCENTAGE	40.0%		
15 BROKERED TRADING PERCENTAGE	1.64%		

Energy Marketing Regulated Trading Labor For Year Ended 12/31/2011 \$'s

COMBINED			Actual YTD
Exp Org	Department Name		
029660	Regulated Trading	Labor	2,532,183
		Burdens	2,204,362
		Total Burdened Labor	4,736,545
LGE			Actual YTD
Exp Org	Department Name		
029660	Regulated Trading	Labor	1,157,011
		Burdens	1,008,354
•		Total Burdened Labor	2,165,365
KU			Actual YTD
Exp Org	Department Name		
029660	Regulated Trading	Labor	1,374,811
		Burdens	1,195,114
		Total Burdened Labor	2,569,925
		=	
CAPITAL CORP			Actual YTD
Exp Org	Department Name		
029660	Regulated Trading	Labor	361
		Burdens	894
		Total Burdened Labor	1,255
		=	

KENTUCKY UTILITIES COMPANY To Eliminate Electric Brokered Sales Revenues and Expenses For the Test Year Ended December 31, 2011

10

25 40.00%

Regulated Trading & Dispatch Department Personnel

Trading Positions

24 Sr Market Compliance Analyst

27 Total Regulated Trading and Dispatch Positions

28 Trading Positions as a % of the total

25 Sr Dispatcher

26 Trading Positions

1 Trader

2	Dir Trading
3	Assoc Trader
4	Sr. Trader
5	Trader
6	Mgr Hourly Trading
	Trader
	Mgr of Trading
_	Trader
10	Sr. Trader
	Di Albina Desiliano
	Dispatching Positions
	Sr Market Compliance Analyst
	Assoc Mkt Compliance Analyst
	Generation Dispatcher
	Dir Marketing
	Generation Dispatcher
	Generation Dispatcher
	Account Manager II Municipals
	Generation Dispatcher
	Mgr Reg Generation Dispatch Op
	Generation Dispatcher
	Mgr Market Compliance
	Generation Dispatcher
23	Scheduler

Louisville Gas and Electric Company Electric Utility Revenues and Expenses December 31, 2011

	Сигтепт	Month	Year to	Date	Year Ended Current Month					
	This Year	Last Year	This Year	Last Year	This Year	Last Year				
	20.016.141.02	\$ 34.948.425.79	\$ 366,263,254.94	\$ 366.497.652.16	\$ 366.263,254.94	\$ 366,497,652.16				
Residential Sales	\$ 30.016.141.82		137.198.907.66	128,289,585.29	137.198.907.66	128,289,585.29				
Small Commercial and Industrial Sales	10.470.563.71	11.909.197.45	162.803.411.74	152,587.640.61	162,803,411.74	152.587,640.61				
Large Commercial Sales	12.240.081.68	12,801,289.63		140,028.632.78	145.251,812.13	140,028,632.78				
Large Industrial Sales	10,280,712.20	11,555,283.74	145.251.812.13	7,041.069.30	7.235.355.29	7.041,069.30				
Public Street and Highway Lighting	619.541.72	612.809.20	7,235.355.29		84.489.064.85	80,391,397.29				
Other Sales to Public Authorities	4.932.708.75	6.937.291.33	84,489,064.85	80.391.397.29	04.467.004.03					
Total Electric Revenue - Ultimate Consumers	68.559.749.88	78.764.297.14	903.241.806.61	874.835.977.43	903.241.806.61	874.835.977.43				
Sales for Resale	5.706.104.81	2,441,206.88	60,437.290.25	22,404.813.92	60,437,290.25	22.404.813.92				
Intercompany Sales for Resale	9,545,512.73	11,120.084.15	82.377.392.16	99.275.772.30	82,377,392.16	99.275.772.30				
Brokered Purchases	-	(784.00)		(2.765.00)	-	(2.765.00)				
Settled Swap Revenue	-	1,067,752.00	2,534,557.33	7.192.669.48	2.534,557.33	7.192.669.48				
Settled Swap Expense	_	(885,944.00)	(5.271.858.07)	(4.011.484.98)	(5,271,858.07)	(4,011,484.98)				
	427,402.24	476,515.28	5,670.214.90	6.445.070.26	5.670.214.90	6.445,070.26				
Late Charge Payments	117.679.50	56,564.00	1,562,779.56	1,457,360.65	1,562,779.56	1.457.360.65				
Miscellaneous Service Revenue	(49,710.09)	208,655.91	2,791,700.54	2,696.832.13	2.791.700.54	2,696,832.13				
Rent from Electric Property	495.215.75	503,099.98	6,406,420.21	5,317,320,78	6.406.420.21	5.317.320.78				
Other Electric Revenue	473.213.73	303.077.70								
Total Electric Operating Revenue	84,801,954.82	93,751,447.34	1.059,750,303.49	1.015.611.566.97	1.059.750.303.49	1.015.611.566.97				
Fuel	31,916,581.86	31,529,026.04	343.602.284.48	347.218.737.33	343,602,284.48	347.218.737.33				
	3,910,525.05	6,554,841,47	56,196,787.48	-55,754,968.95	56.196.787.48	55,754.968.95				
Operation Expenses	4,512,152.76	7,201,953.99	57,856,947.55	62,921,664.84	57.856.947.55	62,921,664.84				
Maintenance		8,752.74	89.098.35	89.061.86	89.098.35	89,061.86				
Rents	13,414.49	0,732.74	07,070,32							
Total Steam Power Generation Expenses	40.352,674.16	45,294,574.24	457,745.117.86	465,984.432.98	457.745,117.86	465,984,432.98				
O a still Frances	44,282,89	46,807.77	536,979,32	412,215.67	536.979.32	412,215.67				
Operation Expenses	54,521.28	44,535.97	735,377.68	639,950,53	735,377.68	639,950.53				
Maintenance	,	36,663.99	379.817.78	414.964.64	379,817.78	414,964.64				
Rents	29,303.70	30,003.77	317,011.10							
Total Hydraulic Generation Expenses	128,107,87	128,007.73	1.652.174.78	1,467,130.84	1.652.174.78	1,467,130.84				
Fuel	, 512,910.57	2,966.054.04	17.366,108.88	21.337.589.01	17,366,108.88	21,337,589.01				
Operation Expenses	12.578.48	19,908.22	237,713.70	209.853.69	237.713.70	209,853.69				
•	118,147.14	2,550,215.62	1,562,397.01	3.652,520.28	1.562.397.01	3.652,520.28				
Maintenance	2,258.49	2,072.17	21.314.08	19.585.53	21.314.08	19,585.53				
Rents	#1250.17									
Total Other Power Generation Expenses	645,894.68	5,538,250.05	19,187.533.67	25,219,548.51	19,187,533.67	25.219,548.51				
	6,940,294.11	4,790,428.59	74,894,547.12	54,379,718.69	74,894,547.12	54,379.718.69				
Purchased Power		183,997.06	1,588,107.38	1,626,044.81	1,588,107.38	1,626.044.81				
System Control and Load Dispatch	124.194.86		2,164,861.78	621,822.70	2,164,861.78	621,822.70				
Other Expenses	167.040.79	116,271.01	2,104,001./8	021,022,70		-				
Other Credits										
Total Other Power Supply Expenses	7,231,529.76	5,090.696.66	78.647.516.28	56.627,586.20	78.647.516.28	56,627,586.20				
Total Power Production Expenses	\$ 48,358,206.47	\$ 56,051,528.68	\$ 557,232,342.59	\$ 549,298.698.53	\$ 557,232,342.59	\$ 549,298,698.53				

Louisville Gas and Electric Company Distribution of Kwh Output and Load Data December 31, 2011

_	Current M	onth	Year to D	Pate	Year Ended Current Month			
	This Year	Last Year	This Year	Last Year	This Year	Last Year		
Distribution of Kwh Output								
Residential Sales	336,416,687	432,578,551	4,260,121,989	4,591,882,579	4,260,121,989	4,591,882,579		
Small Commercial and Industrial Sales	105,690,595	131,402,076	1,420,199,307	1,461,031,299	1,420,199,307	1,461,031,299		
Large Commercial Sales	172,809,440	197,632,817	2,288,544,888	2,332,211,310	2,288,544,888	2,332,211,310		
Large Industrial Sales	169,976,251	213,851,648	2,430,194,056	2,602,851,775	2,430,194,056	2,602,851,775		
Public Street and Highway Lighting Sales	5,349,392	6,253,957	51,351,317	54,324,659	51,351,317	54,324,659		
Other Sales to Public Authorities	73,289,356	105,882,864	1,190,642,794	1,295,935,082	1,190,642,794	1,295,935,082		
Total Sales - Ultimate Consumers	863,531,721	1,087,601,913	11,641,054,351	12,338,236,704	11,641,054,351	12,338,236,704		
Sales for Resale	158,719,000	54,968,000	1,544,495,000	535,022,000	1,544,495,000	535,022,000		
Intercompany Sales for Resale	425,541,000	489,542,000	3,641,187,000	4,709,981,000	3,641,187,000	4,709,981,000		
Brokered Purchases		(20,000)		(61,000)		(61,000)		
Total Sales	1,447,791,721	1,632,091,913	16,826,736,351	17,583,178,704	16,826,736,351	17,583,178,704		
Used by Electric Department - Station Auxillary	-	-	-	-	-			
Used by Electric Department - Duplicate Charges	296,146	325,021	2,148,627	2,311,841	2,148,627	2,311,841		
Used by Other Departments	1,122,135	-	13,046,118	-	13,046,118	-		
Delivered to US Government - Hydro License	418,437	449,402	1,571,011	1,708,802	1,571,011	1,708,802		
Used by IMEA	48,477,000	50,808,000	527,689,000	466,320,000	527,689,000	466,320,000		
Used by IMPA	52,647,000	53,811,000	556,383,000	497,961,000	556,383,000	497,961,000		
Total Kwh Sales, Co. Uses, Etc.	1,550,752,439	1,737,485,336	17,927,574,107	18,551,480,347	17,927,574,107	18,551,480,347		
Total System Losses (1)	77,447,561	11,023,414	708,284,049	520,344,403	708,284,049	520,344,403		
Total Kwh Output	1,628,200,000	1,748,508,750	18,635,858,156	19,071,824,750	18,635,858,156	19,071,824,750		
(1) Includes Losses from Transmission Lines, Station Ligh	ts and Power.							
Net Firm Peak Load								
Kilowatts	1,588,000	1,900,000	2,704,000	2,852,000	2,704,000	2,852,000		
Day of the Week	Wednesday	Monday	Tuesday	Wednesday	Tuesday	Wednesday		
Date	12/7/2011	12/13/2010	7/12/2011	08/04/2010	7/12/2011	08/04/2010		
	7:00 PM	7:00 PM	2:00 PM	3:00 PM	2:00 PM	3:00 PM		
Hour Type of Reading - 60 Minute Integrated	7.55 111							
Record Peak								
Net 2,852,000 - 08/04/2010		30				January 26, 2012		

Kentucky Utilities Company Jurisdictional Utility Revenues December 31, 2011

	Current	Month	Year to	Date	Year Ended C	Current Month		
	This Year	Last Year	This Year	Last Year	This Year	Last Year		
Kentucky Only	Ting Tear	Date Full						
D ((-2104-	\$ 47,988,375.38	\$ 64,633,053.34	\$ 493,167,717.03	\$ 507,149,614.38	\$ 493,167,717.03	\$ 507.149.614.38		
Residential Sales	14,341,239.39	16,290,100.33	177,368,049.63	169,057,147.22	177,368,049.63	169,057,147.22		
Small Commercial and Industrial Sales	10,432,119.75	13,552,378.13	153,478,796.41	156,054,735.56	153,478,796.41	156,054,735.56		
Large Commercial Sales	26,564,713.72	26,813,733.79	333,374,938.84	315,272,945.34	333,374,938.84	315,272,945.34		
Large Industrial Sales	2,494,770.91	3,218,867.38	31,439,098.55	32,341,102.17	31,439,098.55	32,341,102.17		
Mine Power		988,675.68	10,752,067.99	10,595,234.96	10,752,067.99	10,595,234.96		
Public Street and Highway Lighting	763,827.61	•		98,314,510.52	104,491,353.23	98,314,510.52		
Other Sales to Public Authorities	6,000,776.36	10,065,394.97	104,491,353.23	, ,	4,700,344.05	4,540,381.37		
Municipal Pumping	374,424.02	426,322.15	4,700,344.05	4,540,381.37	4,700,344.03	6.12		
Rate Refunds	_	*		6.12	-	0.12		
Total Electric Revenue - Ultimate Consumers	108,960,247.14	135,988,525.77	1,308,772,365.73	1,293,325,677.64	1,308,772,365.73	1,293,325,677.64		
	22,804.55		4,364,303.42	190,343.93	4,364,303.42	190,343.93		
Sales for Resale	,	984.022.79	32,401,992.52	13,775,333.51	32,401,992.52	13,775,333.51		
Intercompany Sales for Resale	3,322,557.64	8.707.299.85	103,730,191.53	103,291,802.77	103,730,191.53	103,291,802.77		
Wholesale Sales	8,049,227.69	0,707,299.03	231,838.17	31,586.52	231,838.17	31,586.52		
Settled Swap Revenue	•	•	(574,533.43)	(11,867.02)	(574,533.43)	(11,867.02)		
Settled Swap Expense	-	750 636 67	7,457,495.97	9,988,850.61	7,457,495.97	9,988,850.61		
Late Charge Payments	427,151.69	758,626.67	2,341,512.20	2,197,507.35	2,341,512.20	2,197,507.35		
Miscellaneous Service Revenue	182,102.82	109,782.09	1,685,513.88	941,884.34	1,685,513.88	941,884.34		
Rent from Electric Property	(134,978.61) 1,296,927.59	48,105.52 1,004,133.98	14,709,782.04	10,533,681.78	14,709,782.04	10,533,681.78		
Other Electric Revenue	1,290,927.39	1,004,133.20				6 1 424 274 801 42		
Total Electric Operating Revenue	\$ 122,126,040.51	\$ 147,600,496.67	\$ 1,475,120,462.03	\$ 1,434,264,801.43	\$ 1,475,120,462.03	\$ 1,434,264,801.43		
Virginia Only								
Residential Sales	\$ 4,165,788.49	\$ 6,437,219.11	\$ 32,436,910.41	\$ 38,559,512.54	\$ 32,436,910.41	\$ 38,559,512.54		
Small Commercial and Industrial Sales	641,763.69	1,005,951.27	6,454,197.04	7,489,242.95	6,454,197.04	7,489,242.95		
Large Commercial Sales	804,973.85	1,208,563.95	9,698,647.17	9,990,934.89	9,698,647.17	9,990,934.89		
Large Industrial Sales	288,023.61	217,105.64	3,124,274.32	1,614,283.33	3,124,274.32	1,614,283.33		
Mine Power	1,115,827.45	1,520,141.60	13,391,315.25	13,102,181.57	13,391,315.25	13,102,181.57		
Public Street and Highway Lighting	15,786.55	33,470.20	395,101.75	312,286.01	395,101.75	312,286.01		
Other Sales to Public Authorities	525,149.76	857,358.93	6,193,969.67	6,551,117.89	6,193,969.67	6,551,117.89		
Municipal Pumping	16,520.18	22,632.58	171,475.49	197,448.34	171,475.49	197,448.34		
Rate Refunds	-	-	-	(632,390.04)		(632,390.04)		
Total Electric Revenue - Ultimate Consumers	7,573,833.58	11,302,443.28	71,865,891.10	77,184,617.48	71,865,891.10	77,184,617.48		
Late Charge Payments	23,911.45	16,573.21	212,213.81	95,931.55	212,213.81	95,931.55		
Miscellaneous Service Revenue	13,897.13	6,353.59	129,150.67	111,635.34	129,150.67	111,635.34		
Rent from Electric Property	15,989.62	4,062.88	171,029.49	48,169.20	171,029.49	48,169.20		
Other Electric Revenue	10,637.50	61.00	18,239.00	4,557.00	18,239.00	4,557.00		
Total Electric Operating Revenue	\$ 7,638,269.28	\$ 11,329,493.96	\$ 72,396,524.07	\$ 77,444,910.57	\$ 72,396,524.07	\$ 77,444,910.57		

January 26, 2012

Kentucky Utilities Company Distribution of Kwh Output and Load Data December 31, 2011

This Year		Current Mo	onth	Year to Da	ate	Year Ended Current Month			
Residential Sales. 656,058,761 949,103,354 65,49,421,114 7,181,625,474 6,549,421,114 7,181,625,474 Small Commercial and Industrial Sales 164,303,201 204,006,743 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,961,791 2,072,007,449 2,018,963,933 2,498,175,382 2,287,665,933 2,498,175,382 2,287,665,933 2,498,175,382 2,287,665,933 2,498,175,382 63,937,350 60,339,73,500 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,316 508,150,399 55,934,105 508,150,399 55,934,105 508,150,399 55,934,105 508,150,399 59,941,05 69,676,228 672,203,478 <th></th> <th>This Year</th> <th>Last Year</th> <th>This Year</th> <th>Last Year</th> <th>This Year</th> <th>Last Year</th>		This Year	Last Year	This Year	Last Year	This Year	Last Year		
Residential Sales. 650,08k,fol optical and Industrial Sales 650,08k,fol optical and Industrial Sales 164,303,201 optical 204,006,743 optical 2018,961,791 optical 2018,971,972,973 optical 2018,973,973 optical 2018,973,973 optical 2018,973,973 optical 2018,973,973,973,973,973,973,973,973,973,973	Distribution of Kwh Output								
Small Commercial and Industrial Sales 164,303,201 204,006,743 2,018,961,791 2,072,007,4499 2,018,2061,791 2,072,007,4499 Large Commercial Sales 166,496,755 224,231,525 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 2,287,663,933 2,498,175,382 60,13,408,031 5,764,353,504 60,13,408,031 5,764,353,504 60,13,408,031 5,764,353,504 60,13,408,031 5,764,353,504 60,33,408,031 5,764,353,504 60,33,408,031 5,764,353,504 60,33,408,031 5,764,353,504 60,31,408,031 5,764,353,504 60,31,408,031 5,764,353,504 60,31,408,031 5,764,353,504 60,31,408,031 5,764,353,504 60,31,408,031 5,764,355,402 60,815,202 60,815,202 60,815,202 60,815,202 60,815,202 60,815,202 60,815,202	Residential Sales	656,058,761	949,103,354	6,549,421,114	, , ,		.,		
Large Commercial Sales 166,496,755 224,231,525 2.287,663,933 2,498,173,382 2,287,603,933 2,498,173,382 2,287,603,933 2,498,173,382 2,287,603,933 2,498,173,382 2,73,137,500 684,726,723 693,997,362 693,997,362 693,997,362 693,997,362 693,997,362 693,997,362 693,997,362 693,4105 694,672 893,4105 696,		164,303,201	204,006,743	2,018,961,791	2,072,007,449				
Industrial Sales. 504,550,509 \$26,055,295 6,013,408,031 5,764,353,304 6,013,408,031 5,764,353,304 Mine Power Sales. \$75,518,832 73,137,000 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,362 15,84,237,158 1600,139,247 1,584,237,158 1,600,139,247 1,584,237,158 1,600,139,247 1,584,237,158 1,600,139,247 1,584,237,158 1,600,139,247 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 <t< td=""><td></td><td>166,496,755</td><td>224,231,525</td><td>2,287,663,933</td><td>-1</td><td>_,,</td><td></td></t<>		166,496,755	224,231,525	2,287,663,933	-1	_,,			
Mine Power Sales. 57,531,832 73,137,000 684,726,723 693,997,362 684,726,723 693,997,362 684,726,723 693,997,362 584,726,723 593,997,362 593,910 55,934,105 508,15,039 55,934,105 508,15,039 55,934,105 508,15,039 55,934,105 508,15,039 55,934,105 508,15,039 55,934,105 508,15,039 55,934,105 508,15,039 55,934,105 508,670,678 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 67,203,674 69,676,728 7	8	504,550,509	526,055,295	6,013,408,031	5,764,353,504		-, , ,		
Public Street and Highway Lighting Sales		57.531.832	73,137,000	684,726,723	693,997,362	,			
Other Sales to Public Authorities. 106,098,390 164,662,159 1,584,237,158 1,600,139,247 1,584,237,158 1,600,139,247 Municipal Pumping. 5,542,348 6,792,300 67,203,674 69,676,728 67,203,674 69,676,728 Total Sales - Ultimate Consumers. 1,664,862,660 2,153,827,645 19,256,437,463 19,935,909,251 19,256,437,463 19,935,909,251 Sales for Resale. 539,000 - 99,010,000 4,515,000 99,010,000 4,515,000 Intercompany Sales for Resale. 120,983,000 30,373,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 Intercompany Sales for Resale. 156,587,862 185,182,349 1,905,867,063 2,002,284,155 1,905,867,063 2,002,284,155 Total Sales. 1,942,972,522 2,369,382,994 22,381,650,526 22,381,918,406 22,381,650,526 22,381,918,406 Kwh Supplied - Company Lighting. 1,950,988 2,331,643 22,014,658 23,251,969 22,014,658 23,254,105 Kwh Supplied - Free Lighting. 4,500 53,768 51,830			5,839,269	50,815,039	55,934,105				
Municipal Pumping				1,584,237,158	1,600,139,247		-,		
Total Sales - Ultimate Consumers. 1,664,862,660 2,153,827,645 19,256,437,463 19,935,909,251 19,256,437,463 19,935,909,251 Sales for Resale. 539,000 120,983,000 120,983,000 1,120,336,0			6,792,300	67,203,674	69,676,728	67,203,674	69,676,728		
Sales for Resale 539,000 - 99,010,000 4,515,000 99,010,000 4,515,000 Intercompany Sales for Resale 120,983,000 30,373,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 Wholesale Sales 156,587,862 185,182,349 1,905,867,063 2,002,284,155 1,905,867,063 2,002,284,155 Total Sales 1,942,972,522 2,369,382,994 22,381,650,526 22,381,918,406 22,381,650,526 22,381,918,406 Kwh Supplied - Company Lighting 1,950,988 2,331,643 22,014,658 23,251,969 22,014,658 23,254,105 Kwh Supplied - Free Lighting 4,500 4,500 53,768 51,830 53,768 48,687 Kwh Supplied - Free Lighting 42,238,000 19,453,000 459,156,000 44,892,000 459,156,000 44,892,000 Used by IMPA 44,940,000 20,678,000 488,140,000 47,694,000 488,140,000 488,140,000 47,694,000 Total Kwh Sales, Co. Uses, Etc 2,032,106,010 2,411,850,137 23,351,014,952 22,497			2,153,827,645	19,256,437,463	19,935,909,251	19,256,437,463	19,935,909,251		
120,983,000 30,373,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 439,210,000 1,120,336,000 1,120,3		539 000		99,010,000	4,515,000	99,010,000			
Molesale Sales 156,587,862 185,182,349 1,905,867,063 2,002,284,155 1,905,867,063 2,002,284,155 Total Sales 1,942,972,522 2,369,382,994 22,381,650,526 22,381,918,406 22,381,650,526 22,381,918,406 Kwh Supplied - Company Lighting 1,950,988 2,331,643 22,014,658 23,251,969 22,014,658 23,254,105 Kwh Supplied - Free Lighting 4,500 4,500 53,768 51,830 53,768 48,687 Kwh Supplied - Free Lighting 42,238,000 19,453,000 459,156,000 44,892,000 459,156,000 44,892,000 Used By IMEA 44,940,000 20,678,000 488,140,000 47,694,000 488,140,000 47,694,000 Used by IMPA 2,032,106,010 2,411,850,137 23,351,014,952 22,497,808,205 23,351,014,952 22,497,807,198 Total System Losses (1) 97,618,990 (26,420,887) 993,779,892 1,444,270,045 993,779,892 1,444,270,045			30 373 000	1,120,336,000	439,210,000	1,120,336,000	439,210,000		
Total Sales 1,942,972,522 2,369,382,994 22,381,650,526 22,381,918,406 22,381,650,526 22,381,918,406 Kwh Supplied - Company Lighting 1,950,988 2,331,643 22,014,658 23,251,969 22,014,658 23,254,105 Kwh Supplied - Free Lighting 4,500 4,500 53,768 51,830 53,768 48,687 Kwh Supplied - Free Lighting 42,238,000 19,453,000 459,156,000 44,892,000 459,156,000 448,92,000 Used By IMEA 44,940,000 20,678,000 488,140,000 47,694,000 488,140,000 476,94,000 Total Kwh Sales, Co. Uses, Etc 2,032,106,010 2,411,850,137 23,351,014,952 22,497,808,205 23,351,014,952 22,497,807,198 Total System Losses (1) 97,618,990 (26,420,887) 993,779,892 1,444,270,045 993,779,892 1,444,270,045				1,905,867,063	2,002,284,155	1,905,867,063	2,002,284,155		
Total Sales 1,942,972,522 2,369,382,994 22,381,030,220 22,361,76,400 22,014,658 23,254,105 Kwh Supplied - Company Lighting 1,950,988 2,331,643 22,014,658 23,251,969 22,014,658 48,687 Kwh Supplied - Free Lighting 4,500 4,500 53,768 51,830 53,768 48,687 Weed By IMEA 42,238,000 19,453,000 459,156,000 44,892,000 459,156,000 44,892,000 Used by IMPA 44,940,000 20,678,000 488,140,000 47,694,000 488,140,000 47,694,000 Total Kwh Sales, Co. Uses, Etc 2,032,106,010 2,411,850,137 23,351,014,952 22,497,808,205 23,351,014,952 22,497,807,198 Total System Losses (1) 97,618,990 (26,420,887) 993,779,892 1,444,270,045 993,779,892 1,444,270,045	Wholesale Sales	130,367,302	100,100,						
Kwh Supplied - Company Lighting 1,950,988 2,331,643 22,014,658 23,251,969 22,014,658 23,254,105 Kwh Supplied - Free Lighting 4,500 4,500 53,768 51,830 53,768 48,687 Kwh Supplied - Free Lighting 4,500 45,000 459,156,000 44,892,000 459,156,000 44,892,000 459,156,000 44,892,000 488,140,000 47,694,000 488,140,000 47,694,000	Total Sales	1,942,972,522	2,369,382,994	22,381,650,526	22,381,918,406	22,381,650,526	22,381,918,406		
Kwh Supplied - Company Eighting. 4,500 4,500 53,768 51,830 53,768 48,887 Kwh Supplied - Free Lighting. 4,500 4,500 459,156,000 44,892,000 459,156,000 44,892,000 4459,156,000 44,892,000 448,140,000 47,694		1.050.088	2 331 643	22.014.658	23,251,969	22,014,658	,		
Kwn Supplied - Free Lighting 42,238,000 19,453,000 459,156,000 44,892,000 459,156,000 4459,100 445		.,		53.768	51,830	53,768	•		
Used By IMEA. 42,256,000 20,678,000 488,140,000 47,694,000 488,140,000 47694,000 Used by IMPA. 20,678,000 20,678,000 488,140,000 47,694,000 488,140,000 47,694,000 Total Kwh Sales, Co. Uses, Etc. 2,032,106,010 2,411,850,137 23,351,014,952 22,497,808,205 23,351,014,952 22,497,807,198 Total System Losses (1). 97,618,990 (26,420,887) 993,779,892 1,444,270,045 993,779,892 1,444,270,045			.,	459,156,000	44,892,000	459,156,000	•		
Total Kwh Sales, Co. Uses, Etc		, ,	· ·		47,694,000	488,140,000	47,694,000		
Total System Losses (1)	•	-			22,497,808,205	23,351,014,952	22,497,807,198		
	Total System Losses (1)	97,618,990	(26,420,887)	993,779,892	1,444,270,045	993,779,892	1,444,270,045		
	Total Kwh Output	2,129,725,000	2,385,429,250	24,344,794,844	23,942,078,250	24,344,794,844	23,942,077,243		
(1) Includes Losses from Transmission Lines, Station Lights and Power.	(1) Includes Losses from Transmission Lines, Station Ligh	its and Power.							
Net Firm Peak Load	Net Firm Peak Load								
3 546 000 4 517 000 4,292,000 4,517,000 4,292,000 4,517,000		3 546 000	4.517.000	4,292,000	4,517,000	4,292,000	, .		
Kilowatts		-,,-	,		Wednesday	•	•		
Day of the Week	•	•		•	12/15/2010	02/11/2011			
Date					8:00 AM	8:00 AM	8:00 AM		
Hour		8:UU AIVI	O.VO PLIVE	2.22.2.3					
Type of Reading - 60 Minute Integrated	Type of Reading - 60 Minute Integrated								

To Eliminate Rate Mechanism Revenue Accruals For the Twelve Months Ended December 31, 2011

1. ECR Accrued Revenue in Accounts 440-445	\$ 5,218,913
2. MSR Accrued Revenue in Accounts 440-445	396
3. FAC Accrued Revenue in Accounts 440-445	1,161,000
4. DSM Accrued Revenue in Accounts 440-445	2,937,495
5. Total Kentucky Jurisdictional Accrued Revenues	\$ 9,317,804
6. Total Adjustment	\$ (9,317,804)

Louisville Gas & Electric and Kentucky Utilities Companies Revenue Component Variances 12 Months Ending December 2011 vs. Budget (in whole dollars, except for price per unit data)

(III Whole dollars, except for price pe	er uriit data)													
KU (Electric) (KY and TN only)							PILLED	REVENUES						
		Cust. Charge	Demand	Demand Rev.	Energy Rev.	Energy Rev.	Energy Rev.	FAC	DSM	ECR	MSR	STOD, ESM & VDT		
TOTAL Ultimate Consumers:	KWH	Revenue	Revenue	(Demand ECR)	(excl. fuel)	(Base ECR)	(Base Fuel)	Revenue (Revenue	Revenue	(Revenue (Revenue	Total Revenue	\$/MWH
Actual	18,507,215,314	\$ 70,876,976	\$ 157,516,769	\$ 71,723,350										***************************************
Budget	18,385,858,862		\$ 180,527,121	\$ 63,344,263	\$ 389,119,187 \$ 387,837,500	\$ 62,004,293 \$ 61,701,300	\$ 501,801,750 \$ 506,346,554			\$ 34,616,785	\$ 384	12 5	1,314,289,515	S 71.01
Variance	121,356,452		\$ (23,010,352)	\$ 8,379,087	\$ 1,281,687	\$ 302,993				\$ 69,760,537	5	\$	1,389,899,858	\$ 75.60
Dollars per MWH - Actual			\$ 8.51	\$ 3.88	\$ 21.03	\$ 3.35	\$ 27.11		\$ (6,533,148) \$ 0.93	\$ (35,143,752)	\$ 384			\$ (4.58)
Dollars per MWH - Budget		\$ 4.26	\$ 9.82	\$ 3.45			\$ 27.54			\$ 1.87 \$ 3.79		\$ - \$ \$ - \$		
Wholesale-Municipals:									1120	0.75	•	\$ - \$	75.60	
Actual				\$ -		\$ -	\$ 43,081,431	\$ 5,483,169	\$ -	s -	s -			
Variance			\$ 48,912,880	\$ -			\$ 49,527,878	\$ 1,807,391	\$ -		•	•		\$ 54.79 \$ 53.61
Dollars per MWH - Actual	(262,798,443)		1-1-1-1-1	\$ -		\$ -	\$ (6,446,447)	\$ 3,675,778	\$ -			•		\$ 53.61 \$ 1.17
Dollars per MWH - Budget		\$ 0.18 \$	\$ 22.97 \$ 24.23	\$ -		\$ -			\$ -					7 1.17
·		-	→ 24.23	\$ -	\$ 3,96	\$ -	\$ 24.53	\$ 0.90	\$ -	\$ -				
TOTAL Internal Sales:	1													
Actual	20,263,490,515	\$ 71,189,840	\$ 197,867,045	\$ 71,723,350	\$ 396,109,051	e co.oo.(.co.	•							
Budget							\$ 544,883,181 \$ 555,874,432			\$ 34,616,785			1,410,507,118	\$ 69.61
Variance	(141,441,991)	\$ (7,183,395)		\$ 8,379,087			\$ (10,991,251)				\$ - :		1,498,148,038	\$ 73.42
Dollars per MWH - Actual		\$ 3.51	\$ 9.76					, (-111-111-1	. (-111	+ (00,1.10,1.02)	\$ 384		(87,640,920)	\$ (3.81)
Dollars per MWH - Budget		\$ 3.84	\$ 11.24		\$ 19.40		20.00		\$ 0.84 \$ 1.16		\$ - 9	•	00.01	
						7 0.02	27,24	4 0.39	3 1.10	\$ 3.42	\$ - :	\$ - \$	73.42	
							ACCRUED	REVENUES						
		Cust, Charge	Demand	Demand Rev.	Energy Rev.	Energy Rev.	Energy Rev.	FAC						
	KWH	Revenue	Revenue	(Demand ECR)	(excl. fuel)	(Base ECR)	(Base Fuel)	Revenue	DSM Revenue	ECR		STOD, ESM & VDT	Total	
TOTAL Ultimate Consumers:						(ended borry	(0000) 601	110401100	- MOASURS	Revenue	Revenue	Revenue	Revenue	\$/MWH
Actual: Unbilied Accrual	929,796,638	\$ 3.232.000	\$ 8,006,139	\$ 3,418,689	\$ 21,551,070	\$ 3,283,000								
Actual: Unbilled Reversal	(1,116,803,000)	\$ (3,154,000)		4 0(110,000			\$ 24,777,098 \$ (30,749,000)	\$ (359,879) \$ 12,485,000	\$ 859,525 \$ (1,453,000)		\$ - 9	• •		\$ 73.14
Actual: Other Accrued Revenues			_			f des desert	\$ (30,743,000)	\$ 1,161,000	2,937,495	\$ (3, 275,008) \$ 5,218,913	\$ (6,000)	•		\$ 74.18
Actual: Net Accrued Revenues	(187,006,362)	\$ 78,000	\$ (179,861)	\$ (176,311)	\$ (4,451,930)	\$ (971,000)	\$ (5,971,902)				\$ (6,000)	· · · · · · · · · · · · · · · · · · ·		\$ -
Budget: Unbilled Accrual	948,785,323	. 2	•				. (-11	(1,000,010)	C - C,011,020	3 3,101,714	\$ (6,000) \$	- \$	(5,517,149)	\$ 29.50
Budget: Unbilled Reversal	(883,288,741)		\$ - \$.		20,011,210		\$ 26,129,548	\$ (447,225)		\$ 3,276,370	\$ - 9		54,218,619	\$ 57.15
Budget: Other Accrued Revs		\$ -				, ,	\$ (24,325,772)				\$			\$ 66.27
Budget: Net Accrued Revs	65,496,582			*		· -	5 -	\$ -		-	- :	- \$		\$ -
Wholesale-Municipals:					4 (2,400,120)	\$ 2,877,695	\$ 1,803,776	\$ (2,168,114)	\$ 55,152	\$ (4,436,215)	\$ - 9	- \$	(4,320,829)	\$ (65.97)
Actual: Unbilled Accrual	156,587,862	\$ 26,072	\$ 3,066,694	\$.	£ 607.000	s .								
Actual: Unbilled Reversal				\$ -			4 410 1111 100		\$ -		\$ - \$	- \$	7,773,588	\$ 49.64
Actual: Other Accrued Revenues		\$ -		_	,,		•	\$ 2,000 \$	\$ - \$ -			•	(261,000)	\$ 37.31
Actual: Net Accrued Revenues	149,591,862	\$ 26,072	\$ 3,002,694	\$ -	\$ 428,398			\$ 214,323	\$ -			<u> </u>		\$.
Budget: Unbilled Accrual			•				0,041,100	214,020	-	\$ -	\$ - \$	- \$	7,512,588	\$ 50.22
Budget: Unbilled Reversal	:	\$. \$.	•			\$ -		\$ -	\$ -	\$ -	s - s	- \$		•
Budget: Other Accrued Revs	1	•	\$.	•	<u>.</u>	\$.	•	\$ -	•	\$ -				•
Budget: Net Accrued Revs		\$ -			\$ -			\$ -	-	*		- \$		
					•	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - \$	- \$	-	\$ -
							DEBATING	REVENUE	_					
		Cust Charge	Demand	Demand Rev.	F				·					
	KWH	Revenue	Revenue	(Demand ECR)	Energy Rev. (excl. fuel)	Energy Rev. (Base ECR)	Energy Rev. (Base Fuel)	FAC	DSM	ECR		STOD, ESM & VDT	Total	
TOTAL Ultimate Consumers:					(oxol. Idol)	(Dase CON)	(pase ruei)	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	\$/MWH
Actual	18,320,208,952	\$ 70,954,976	\$ 157.336.907	\$ 71,547,039	\$ 384,667,257	\$ 61,033,293	• 405 000 040							
Budget										+ 00,100,100	\$ (5,616) \$		1,308,772,366	\$ 71.44
Variance	(131,146,492)	\$ (7,418,259)	\$ (23,190,214)	\$ 8,202,776	\$ (717,120)					+ orior stare	\$ - \$			\$ 75.09
Dollars per MWH - Actual	1			\$ 3.91						+ (E0,020,020)	\$ (5,616) \$			\$ (3.65)
Dollars per MWH - Budget		\$ 4.25	\$ 9.78	\$ 3.43	\$ 20.89				\$ 1.28		\$ - \$ \$ - \$		71.44 75.09	
Wholesale-Municipals:											•	- 3	75,09	
Actual Budget	.,,,		\$ 43,352,970	•		\$ -	\$ 46,922,531	\$ 5,697,493	s - :	s .	\$ - s	- s	102 700 107	
Variance	(113,206,581)			\$ -	+ 5/555/5		\$ 49,527,878	\$ 1,807,391	\$ -			•	100,100,102	\$ 54.43 \$ 53.61
Dollars per MWH - Actual		\$ 338,936 \$ 0.18	. 1-1:11	\$ -			\$ (2,605,347)	\$ 3,890,102	\$ - :	\$ -	\$ - \$			\$ 0.81
Dollars per MWH - Budget		\$ 0.18				\$ -			\$ - :	\$ -			54.43	0.01
			T 24.23	\$ -	\$ 3.96	\$ -	\$ 24.53	\$ 0.90	\$ - 9	\$-			53.61	
TOTAL Internal Sales:														
Budget		\$ 71,293,912			\$ 392,085,519	\$ 61,033,293	\$ 542,752,379	\$ 13,542,631	\$ 19,765,010 \$	\$ 39,798,499	\$ (5,616) \$	42 *	1 440 500 557	
Variance	20,470,429,088 (244,353,073)			\$ 63,344,263	\$ 393,384,408	\$ 64,578,995	\$ 557,678,208	\$ 17,994,487	\$ 23,709,290		\$ {0,010} \$ \$ - \$.,	\$ 69.84 \$ 72.97
Dollars per MWH - Actual		\$ (7,079,323) 5 \$ 3.52			\$ (1,298,889)				\$ (3,944,280)					\$ (3.14)
	'	J.52	\$ 9.92	\$ 3.54	\$ 19,39	\$ 3.02	\$ 26.83	\$ 0.67	\$ 0,98	1.97			69.84	- (0.14)
												•	00.01	

Supplemental Exhibit 1 Reference Schedule 1.07

KENTUCKY UTILITIES

To Eliminate DSM Revenues and Expenses For the Twelve Months Ended December 31, 2011

1. DSM Revenue adjustment	\$ (17,120,990)
2. DSM Expense adjustment	(12,541,915)
3. Net Adjustment	\$ (4,579,075)

Louisville Gas & Electric and Kentucky Utilities Companies Revenue Component Variances 12 Months Ending December 2011 vs. Budget (in whole dollars, except for price per unit data)

KU (Electric) (KY and TN only)														
							BILLED F	REVENUES			17-11-10-1			
	кwн	Cust Charge	Demand	Demand Rev.	Energy Rev.	Energy Rev.	Energy Rev.	FAC /	DSM	ECR	MSR	STOD, ESM & VDT	Total	
TOTAL Illaimete Communication		Revenue	Revenue	(Demand ECR)	(excl. fuel)	(Base ECR)	(Base Fuel)	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	\$/MWH
TOTAL Ultimate Consumers:														
Budget			\$ 157,516,769	\$ 71,723,350		\$ 62,004,293	\$ 501,801,750	\$ 9,509,017	\$ (17,120,990	\$ 34,616,785	\$ 384	\$ 12	\$ 1,314,289,515	\$ 71.0
Variance	121,356,452		\$ 180,527,121	\$ 63,344,263	\$ 387,837,500		\$ 506,346,554	\$ 18,355,210		\$ 69,760,537	\$ -		\$ 1,389,899,858	\$ 75.60
Dollars per MWH - Actual	121,300,402	1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	\$ (23,010,352) \$ 8.51	\$ 8,379,087	\$ 1,281,687	\$ 302,993	\$ (4,544,804)	(-111	\$ (6,533,148)	\$ (35,143,752)	\$ 384	\$ 12	\$ (75,610,343)	
Dollars per MWH - Budget			\$ 9.82	\$ 3.88 \$ 3.45	\$ 21.03 \$ 21.09	\$ 3.35	\$ 27.11	\$ 0.51			\$ -			
Wholesale-Municipals:		4.25	3.02	4 3.43	\$ 21.09	\$ 3,36	\$ 27.54	\$ 1.00	\$ 1.29	\$ 3.79	\$ -	\$.	\$ 75.60	
Actual	1,756,275,201	\$ 312.864	\$ 40,350,276	s -	•	_								
Budget			\$ 48,912,880		\$ 6,989,864 \$ 8,000,031	<u>*</u>	\$ 43,081,431 \$ 49,527,878		\$ -	•	\$ -	\$.	\$ 96,217,604	\$ 54.79
Variance	(262,798,443)	\$ 312,864	\$ (8,562,604)	\$ -	\$ (1,010,167)		\$ 49,527,878 \$ (6,446,447)	\$ 1,807,391	\$ -	·		\$.		\$ 53.6
Dollars per MWH - Actual		\$ 0.18	\$ 22.97	\$ -		\$ -		\$ 3,675,778 \$ 3.12	\$ -					\$ 1.17
Dollars per MWH - Budget		\$ -			\$ 3.96	•	\$ 24.53	\$ 3,12 \$ 0,90	\$ - \$ -					
								0.50		•	\$ -	\$ -	\$ 53.61	
TOTAL Internal Sales:														
Actual Budget			\$ 197,867,045		\$ 396,109,051		\$ 544,883,181	\$ 14,992,186	\$ 17,120,990	\$ 34,616,785	\$ 384	¢ 12	\$ 1,410,507,118	•
Variance			\$ 229,440,001	\$ 63,344,263			\$ 555,874,432	\$ 20,162,601						\$ 69.61 \$ 73.42
Dollars per MWH - Actual	(141,441,991)		\$ (31,572,956)	\$ 8,379,087	\$ 271,520		\$ (10,991,251)	\$ (5,170,415)	\$ (6,533,148)	\$ (35,143,752)	\$ 384			
Dollars per MWH - Actual		\$ 3.51 \$ 3.84	\$ 9.76 \$ 11.24	\$ 3.54	\$ 19.55	\$ 3.06	\$ 26.89	\$ 0.74		\$ 1.71			f	10.01
		3.04	11.24	\$ 3.10	\$ 19.40	\$ 3.02	\$ 27.24	\$ 0.99	\$ 1.16	\$ 3.42	\$ -			
		Cust Charge	Demand	Daniel d Daniel				REVENUES		****				
	кwн	Revenue	Revenue	Demand Rev. (Demand ECR)	Energy Rev. (excl. fuel)	Energy Rev. (Base ECR)	Energy Rev. (Base Fuel)	FAC Revenue	DSM	ECR	MSR	STOD, ESM & VDT	Total	
TOTAL Ultimate Consumers:				(2011)	(oxor, tob)	(Dase CCN)	(Dasa Fual)	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	\$/MWH
Actual: Unbilled Accrual	929,796,638	\$ 3,232,000	\$ 8,006,139	\$ 3,418,689	\$ 21,551,070	\$ 3,283,000	\$ 24,777,098	\$ (359,879)	\$ 859,525		_			
Actual: Unbilled Reversal	(1,116,803,000)			\$ (3,595,000)			\$ (30,749,000)	\$ (2,465,000)		\$ 3,237,801 \$ (3,275,000)	-	\$ - \$ -		\$ 73.14
Actual: Other Accrued Revenues Actual: Net Accrued Revenues		\$ -	\$ -	\$ -				\$ 1,161,000		\$ 5,218,913		\$.		\$ 74.18 \$ -
Actual, Net Accided Revenues	(187,006,362)	\$ 78,000	\$ (179,861)	\$ (176,311)	\$ (4,451,930)	\$ (971,000)	\$ (5,971,902)	\$ (1,663,879)	\$ 2,644,020	\$ 5,181,714	\$ (6,000)			
Budget: Unbilled Accrual	948,785,323	\$ -	s -	s .	\$ 20,574,240	\$ 3,525,116	\$ 26,129,548	\$ (447.225)		_			(0,017,140)	2 23.00
Budget: Unbilled Reversal	(883,288,741)	\$ -					\$ (24,325,772)	\$ (447,225) \$ (1,720,889)		(=,-,-,-	\$ -			\$ 57.15
Budget: Other Accrued Revs.		\$ -	T	\$ -	\$ -		\$ -	\$			\$. \$.		(\$ 66.27 S
Budget: Net Accrued Revs.	65,496,582	\$ -	\$ -	\$ -	\$ (2,453,123)	\$ 2,877,695	\$ 1,803,776	\$ (2,168,114)	\$ 55,152		-	·	*	•
Wholesale-Municipals: Actual: Unbilled Accrual		*								(,,,			¥ (4,020,023)	\$ (00.91
Actual: Unbilled Reversal	156,587,862 (6,996,000)			\$ -		\$ -	\$ 3,841,100	\$ 212,323	\$ -	s -	s -	\$.	\$ 7,773,588	\$ 49.64
Actual: Other Accrued Revenues		\$ - \$ -		\$. \$.		\$ -	•		\$ -		*	\$.		\$ 37.31
Actual: Net Accrued Revenues	149,591,862			\$ -		\$ - \$ -	T	•	\$ -		-		\$ -	\$ -
		¥ 20,012	ψ 0,002,034	• •	\$ 420,398	<u> </u>	\$ 3,841,100	\$ 214,323	\$ -	\$ <u>-</u>	\$ -	\$ -	\$ 7,512,588	\$ 50.22
Budget: Unbilled Accrual	-	•	*			\$ -	s .	\$ -	. 2	s .	\$ -			_
Budget: Other Accrued Revs.	:		•	•		\$.	\$ -	\$ -	\$ -	•				\$ -
Budget: Net Accrued Revs.		<u> </u>	-		<u> </u>			\$ -	\$ -	\$ -				š -
	-	-	<u>.</u>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -
		00						REVENUE	S					
	KWH	Cust Charge Revenue	Demand Revenue	Demand Rev. (Demand ECR)	Energy Rev. (excl. fuel)	Energy Rev.	Energy Rev.	FAC	DSM	ECR	MSR	STOD, ESM & VDT	Total	
TOTAL Ultimate Consumers:			1/0401100	(Dalliand ECV)	(exci, luel)	(Base ECR)	(Base Fuel)	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	\$/MWH
Actual	18.320.208.952	\$ 70,954,976	£ 457 000 007	. 74.547.005		_								
Budget									\$ 19,765,010			\$ 12	\$ 1,308,772,366	\$ 71.44
Variance	(131,146,492)								\$ 23,709,290					\$ 75.09
Dollars per MWH - Actual		\$ 3.87	. (==::==;==1)			\$ (3,545,701)	1,-1,-1,-1,-1,		\$ (3,944,280)	(25,525,823)	\$ (5,616)	\$ 12	\$ (76,806,663)	\$ (3.65)
Dollars per MWH - Budget		\$ 3.07 \$ 4.25		7 0.01				\$ 0.43	\$ 1.08			\$.	\$ 71.44	, , , , , , , , , , , , , , , , , , , ,
Wholesale-Municipals:		4.20	3.10	9 3.43	20.09	\$ 3,50	\$ 27.54	\$ 0.88	\$ 1.28	3,54	\$ -	\$ -	\$ 75.09	
Actual	1,905,867,063	\$ 338.936	ė 40 050 070											
Budget		\$ 338,936 \$ -				ž ·		\$ 5,697,493	•		\$ -	ş .	\$ 103,730,192	\$ 54.43
Variance	(113,206,581)	•		\$ -	+ 0,000,001				\$ -		-	s -	, ,	\$ 53.61
Dollars per MWH - Actual		\$ 0.18			(\$ -		s -	\$ -	\$ (4,517,988)	\$ 0.81
Dollars per MWH - Budget		\$ 0.10				\$ -			\$ - :		•			
-			. 27.23	•	¥ 3.80	\$ -	\$ 24.53	\$ 0.90	\$ - :		\$ -	\$ -		
TOTAL Internal Sales:														
Actual Budget	20,226,076,015			\$ 71,547,039	\$ 392,085,519			\$ 13,542,631	\$ 19,765,010	39,798,499	\$ (5,616)	• 12	\$ 1,412,502,557	\$ 69.84
Variance	20,470,429,088					\$ 64,578,995	\$ 557,678,208		\$ 23,709,290		10,0,01			\$ 69.84 \$ 72.97
Dollars per MWH - Actual	(244,353,073)							\$ (4,451,856)	\$ (3,944,280)		\$ (5,616)	•		
Design bei Maki i - Actual		\$ 3.52	9.92	\$ 3.54	\$ 19.39	\$ 3.02	\$ 26.83	\$ 0.67	\$ 0.98					(0.14)
													¥ 03.04	

KU Reconciliation of DSM Expenses per GL to ASSD Filing FY 2011

	General Ledger Accrual		Adjusted Total			otal Expense for		
	1	(Acct. 908005)	Adjustment	Expenses			ASSD Filing	Difference
		(1)	 (2)		(1) + (2)			
Dec-11	\$	1,700,630.01	\$ (61,000.00)	\$	1,761,630.01	\$	1,761,630.01	\$ -
Nov-11	\$	996,703.86	\$ 166,000.00	\$	830,703.86	\$	830,703.86	\$ -
Oct-11	\$	750,263.77	\$ (84,000.00)	\$	834,263.77	\$	834,263.77	\$ -
Sep-11	\$	1,103,305.85	\$ 15,000.00	\$	1,088,305.85	\$	1,088,305.85	\$ -
Aug-11	\$	1,593,096.33	\$ (118,000.00)	\$	1,711,096.33	\$	1,711,096.33	\$ -
Jul-11	\$	1,416,811.55	\$ (14,000.00)	\$	1,430,811.55	\$	1,430,811.35	\$ 0.20
Jun-11	\$	1,176,043.75	\$ (25,000.00)	\$	1,201,043.75	\$	1,201,043.95	\$ (0.20)
May-11	\$	989,070.40	\$ (11,000.00)	\$	1,000,070.40	\$	1,000,070.40	\$ -
Apr-11	\$	525,262.34	\$ (143,000.00)	\$	668,262.34	\$	668,262.34	\$ -
Mar-11	\$	805,577.60	\$ 67,000.00	\$	738,577.60	\$	738,577.60	\$ -
Feb-11	\$	378,260.13	\$ (118,000.00)	\$	496,260.13	\$	496,260.10	\$ 0.03
Jan-11	\$	1,163,888.87	\$ 383,000.00	\$	780,888.87	\$	780,888.87	\$
	Ś	12,598,914,46	\$ 57.000.00	\$	12,541,914.46	\$	12,541,914.43	\$ 0.03

KU
Adjusted DSM Expenses
For the 12 Months Ended December 31, 2011

Total Expenses					Accrual	***************************************		T-S	STAT Expenses	A	djusted Total		(acci 9560	05	<u> </u>
		r DSM File		Adj	ustment (a)	CCS Expense (b)			(c)		Expenses	General Ledger			Difference
Dec-11	\$ 1	,768,551.33		\$	(61,000.00)	\$	-	\$	(6,921.32)	\$	1,700,630.01	\$	1,700,630.01	\$	-
Nov-11	\$	830,528.86		\$	166,000.00	\$	-	\$	175.00	\$	996,703.86	\$	996,703.86	\$	•
Oct-11	\$	834,263.77		\$	(84,000.00)	\$	-	\$	-	\$	750,263.77	\$	750,263.77	\$	-
Sep-11	\$ 1	L,09 7,1 42.17		\$	15,000.00	\$	85.00	\$	(8,921.32)	\$	1,103,305.85	\$	1,103,305.85	\$	-
Aug-11	\$ 1	1,703,987.24		\$	(118,000.00)	\$	25.00	\$	7,084.09	\$	1,593,096,33	\$	1,593,096.33	\$	-
Jul-11	\$ 1	1,430,728.95	i	\$	(14,000.00)	\$	•	\$	82.40	\$	1,416,811.35	\$	1,416,811.55	\$	(0.20)
Jun-11	\$ 1	1,201,043.95		\$	(25,000.00)	\$	_	\$	-	\$	1,176,043.95	\$	1,176,043.75	\$	0.20
May-11	\$:	1,000,070.40		\$	(11,000.00)	\$	-	\$	-	\$	989,070.40	\$	989,070.40	\$	-
Apr-11	\$	668,124.34		\$	(143,000.00)	\$	-	\$	138.00	\$	525,262.34	\$	525,262.34	\$	-
Mar-11		738,439.60		\$	67,000.00	\$	-	\$	138.00	\$	805,577.60	\$	805,577.60	\$	-
Feb-11	\$	507,720.40		\$	(118,000.00)	\$	-	\$	(11,460.30)	\$	378,260.10	\$	378,260.13	\$	(0.03)
Jan-11	\$	748,034.84		\$	383,000.00	\$	-	\$	32,854.03	\$	1,163,888.87	\$	1,163,888.87	\$	
		2,528,635.85	_	\$	57,000.00	\$	110.00	\$	13,168.58	\$	12,598,914.43	\$	12,598,914.46	\$	(0.03)
• :	\$ 1.	2,528,635.85	-	<u> </u>	57,000.00	<u>ې</u>	110.00	<u> </u>	15,100,50	•	14,536,314.45	٠,	77,70,714,40		10.03/

TRUE

- (a) Accruals are made on a monthly basis to Oracle Account 908005 for estimated DSM expenses. Accruals for estimated expenses are not recoverable through the DCR mechanism until the acctual amount of the expenditures are known and recorded to the GL. As a result, the accruals are excluded from the DSM expenses for our osses of the ASSD filing.
- (b) CCS expenses (expenses that are recorded directly from CCS to Oracle Account 908005) should be recoverable expenses. However, when they were incurred, they did not go through the normal DCR recovery process and are therefore not included in the expenses in column B above. The CCS expenses were customer account write-offs. Certain customers signed up for energy audit, HVAC diagnostic, and HVAC tune up programs, but did not pay for these charges even though the company performed these services. As such, the expenses are allowed through the mechanism and will be adjusted through the DSM DBA mechanism in the 2012 DBA filing.
- (c) The T-Stat expenses are similar to (b) above. These expenses were recorded to Oracle Account 908005 when they occured, but did not go through the normal DCR recovery process and are therefore not included in the expenses in column B above. The T-STAT expenses are now considered recoverable and will be adjusted through the DSM DBA mechanism in the 2012 DBA filling.

Additional Expense not							
Total Expenses			covered in O/U file	Total Expense for			
	er DSM File	(CC	S and T-Stat Expense)	ASSD Filing			
\$	1,768,551.33	\$	(6,921.32)	\$	1,761,630.01		
\$	830,528.86	\$	175.00	\$	830,703.86		
\$	834,263.77	\$	-	\$	834,263.77		
\$	1,097,142.17	\$	(8,836.32)	\$	1,088,305.85		
\$	1,703,987.24	\$	7,109.09	\$	1,711,096.33		
\$	1,430,728.95	\$	82.40	\$	1,430,811.35		
\$	1,201,043.95	\$	-	\$	1,201,043.95		
\$	1,000,070.40	\$	-	\$	1,000,070.40		
\$	668,124.34	\$	138.00	\$	668,262.34		
\$	738,439.60	\$	138.00	\$	738,577.60		
\$	507,720.40	\$	(11,460.30)	\$	496,260.10		
\$	748,034.84	\$	32,854.03	\$	780,888.87		
\$	12,528,635.85	\$	13,278.58	\$	12,541,914.43		
	\$ \$ \$ \$ \$ \$ \$ \$ \$	Per DSM File \$ 1,768,551.33 \$ 830,528.86 \$ 834,263.77 \$ 1,097,142.17 \$ 1,703,987.24 \$ 1,201,043.95 \$ 1,000,070.40 \$ 668,124.34 \$ 738,439.60 \$ 507,720.40 \$ 748,034.84	Total Expenses Per DSM File (CCC \$ 1,768,551.33 \$ \$ \$ 830,528.86 \$ \$ 834,263.77 \$ \$ 1,097,142.17 \$ \$ 1,703,987.24 \$ \$ 1,430,728.95 \$ \$ 1,201,043.95 \$ \$ 1,000,070.40 \$ \$ 668,124.34 \$ \$ 738,439.60 \$ \$ 507,720.40 \$ \$ 507,720.40 \$ \$ 748,034.84 \$	Total Expenses Per DSM File recovered in O/U file \$ 1,768,551.33 \$ (6,921.32) \$ 830,528.86 \$ 175.00 \$ 834,263.77 \$ (8,836.32) \$ 1,097,142.17 \$ (8,836.32) \$ 1,703,987.24 \$ 7,109.09 \$ 1,201,043.95 \$ - \$ 1,000,070.40 \$ - \$ 668,124.34 \$ 138.00 \$ 738,439.60 \$ 138.00 \$ 748,034.84 \$ 32,854.03	Total Expenses recovered in O/U file Total Expenses Per DSM File (CCS and T-Stat Expense) \$ \$ 1,768,551.33 \$ (6,921.32) \$ \$ 830,528.86 \$ 175.00 \$ \$ 1,097,142.17 \$ (8,836.32) \$ \$ 1,703,987.24 \$ 7,109.09 \$ \$ 1,430,728.95 \$ 82.40 \$ \$ 1,201,043.95 \$ - \$ \$ 668,124.34 \$ 138.00 \$ \$ 738,439.60 \$ 138.00 \$ \$ 748,034.84 \$ 32,854.03 \$		

Adjustment to Annualize Year-End Customers <u>At December 31, 2011</u>

1.	Revenue adjustment	\$ (13,701,571)
2.	Expense adjustment	(7,542,566)
3.	Net adjustment	\$ (6,159,006)

Louisville Gas and Electric Company Adjustment to Reflect Year End Number of Customers Twelve Months Ended December 31, 2011

(9) (8) (7) (5) (6) (3) (2) (1) Current Rates Net Average kWh Year-End Over / Average Number of per Customer Year-End kWh Revenue (Base Rates Average Revenue Revenue Number of Customers Served (Under) 13-Month Customers 13 Months + FAC - Base ECR) per kWh Adjustment Adjustment Actual kWh per Year Ended December 31, 2011 at December 31, 2011 Average (6) * (8) (7) / (4) (3) * (5) (4)/(1) (2) - (1) 466,664,711 6 894 677.300 418,163 419,495 RS 498,139 7,667,163 265 268 RS3 69.624 ¢ 1.060,705 45 46 RSVFD 33,787 512,720 29 24 RSNM 467.266.261 \$ 0.06768 \$ (1,479,084) (21,854,076) \$ 6.903.917,888 16,444 418,503 (1.329)419,832 Residential Service excluding Rate LEV 0 n S RSLEV 0 ٥ Residential Service - Electric Vehicle Only 80,305,832 937,411,626 64,285 64,954 9,321 117,542 GSNM 92,939,213 \$ 1.225.840,655 17,106 16,982 21,111 GS3 278,763 3 GS3NM 0 08008 \$ (1,154,436) 2,163,648,586 (14,416,038) \$ 173,275,477 \$ 26,403 81,399 (546)81,945 General Service 764,928 11,855,542 365 371 6.847 AES 83,340 \$ AESP 9,714,815 162,682,304 246 254 5,935 AES3 S 94,360 4 AES3P 0.06005 \$ (182,032) (3,031,336) \$ 10,492,526 \$ 275,576 174,715,546 623 (11) 634 Rate AES Power Service 5,028,311 173 75,769,716 173 PSP 48,987,472 890,081,173 136 151 54.015.783 \$ 0.05593 \$ (2,500,928) PSPPF 965,850,889 2.981,021 (44,715,315) \$ 309 324 Primary 124,966,519 1,871,060,629 5.007 5,273 PSS 1,461,086,208 84,845,552 S 573 560 PSSPF 28,814 352,400 3 0 06297 \$ (9,975,635) **PSSNM** (158,418,856) \$ 209,840,885 \$ 3,332,499,237 569,852 (278) 5,570 5,848 Secondary Industrial Time of Day 177,701,771 3,765,039,046 129 135 TODP 177,701,771 \$ 0.04720 \$ (7,898,215) 27,889,178 (167,335,068) \$ 3,765,039,046 129 (6) 135 Primary 21,411,959 428,965,236 110 133 0,04992 \$ 4,477,460 TODS 89,692,709 \$ 21,411,959 \$ 428,965,236 3,899,683 133 23 110 Secondary 78,556,300 1.725.192.489 34 32 0 04553 \$ 4,909,251 RTS 107,824,530 \$ 78,556,300 \$ 1,725,192,489 53,912,265 2 34 32 Retail Transmisison Service 0 0 FLSP 23.476.823 5 578.471.246 0 04058 \$ FLST 23,476,823 \$ 0 \$ 578,471,246 578,471,246 0 Fluctuating Load Service \$ 1,355 28,013 0 04838 \$ LE 1,355 \$ 28,013 0 \$ 0 28,013 Lighting Energy 96,042 1,135,421 719 596 19,821 0 08459 \$ TE 96,042 \$ 234,315 \$ 123 1,135,421 1,905 596 719 Traffic Energy per Light per Year Lights Lights 21,948,264 \$ 82,227 ODL 0 16212 \$ 507,200 . \$ 135,384,140 800 169,684 634 169,050 Lighting Service \$ (13,701,571) 1,238,083,446 20,174,847,737 677,105 678,508 Totals (7,542,566)

ADJUSTMENT TO NET OPERATING INCOME BEFORE TAXES

Expenses at an Operating Ratio of

0 550489098 (see page 2)

\$ (6,159,006)

Louisville Gas and Electric Company Adjustment to Reflect Year End Number of Customers Twelve Months Ended December 31, 2011

CALCULATION OF ELECTRIC OPERATING RATIO

TOTAL ELECTRIC OPERATING EXPENSES	\$ 859,662,125
LESS WAGES AND SALARIES	97,239,491
LESS PENSIONS AND BENEFITS	37,398,933
LESS REGULATORY COMMISSION EXPENSE	1,524,688
NET EXPENSES	\$ 723,499,013
TOTAL ELECTRIC OPERATIONS REVENUES (AS BILLED)	\$ 1,314,283,999
OPERATING RATIO	0.550489098

Adjustment To Reflect Annualized Depreciation Expenses <u>At December 31, 2011</u>

1. Annualized direct depreciation expense under current rates excluding ARO and ECR	\$ 143,476,996
2. Depreciation expense per books for test year	\$ 189,190,233
3. Depreciation expense for asset retirement costs (ARO)	(3,028,523)
4. Depreciation for environmental cost recovery (ECR) plans	(46,839,413)
5. Depreciation expense per books excluding ARO and ECR	\$ 139,322,297
6. Total Adjustment to reflect annualized depreciation expense	
(Line 1 - Line 5)	4,154,699
7. Kentucky Jurisdiction (Ref. Sch. Allocators)	 87.347%
8. Kentucky Jurisdictional adjustment	\$ 3,629,021

Total Intangible Plant		Property Group		Pepreciable Plant 12/31/11	Current Rates ASL		epreciation Using Curr. Rates
101	Intonell	ble Plant					
	-		\$	44.456	0.00%	\$	-
1303		E	•	,		-	-
CCS Software							3,667,742
Steam Production Plant		•					4,021,021
31100		Total Intangible Plant	\$	58,649,295		\$	7,688,763
31100	Staam I	Production Plant					
Structures and Improvements			\$	10,881,104	0.00%	\$	-
5603 Tyrone Unit3 5,008,825 0.00%	311.00			, ,			
5613 Green River Unit 3 5,282,1437 0,00% - 5614 Green River Units 1 4 5,476,054 0,00% - 5621 Brown Unit 1 4,703,199 0,60% 28,215 5622 Brown Unit 2 2,232,100 0,60% 28,215 5623 Brown Unit 3 21,039,674 0,54% 11,361 5630 Brown Unit 1,2,3 FGD 43,917,212 2,65% 11,61,618 5643 Pineville Unit 3 16,004 0,00% - 73,48 5650 Ghent Unit 1,FGD 8,483,789 2,65% 224,822 5652 Ghent Unit 2 FGD 15,817,338 2,65% 224,822 5653 Ghent Unit 2 FGD 15,817,338 2,65% 224,822 5654 Ghent Unit 2 FGD 15,817,338 2,65% 2,312,100 5559 System Laboratory \$33,950,215 1,1% 501,900 3022 Trimble County Unit 2 FGD 5,523,97 2,10% 1,270 5559 System Laboratory \$333,950,15 \$3,900 \$5,803 5604 Tyrone Unit 3 1,000 1,500 1,500 5613 Green River U		•		5,608,825	0.00%		-
Sold Green River Unit 4		5604 Tyrone Units 1&2		583,381	0.00%		-
5615 Green River Units 1 & 2,560,764 0.00% 2.52,11 5621 Brown Unit 1 4,703,190 0.60% 2.8,215 5622 Brown Unit 2 2,232,100 0.08% 1,788 5632 Brown Unit 3 21,099,674 0.54% 11,61,806 5630 Brown Unit 1,2,3 FGD 43,917,221 0.09% 7.3,48 5651 Ghent Unit 1 18,842,151 0.39% 7.3,48 5650 Ghent Unit 2 FGD 15,817,338 2.65% 224,822 5653 Ghent Unit 2 FGD 15,817,338 2.65% 19,155 5654 Ghent Unit 3 42,177,16 1,19% 50,190 5653 Ghent Unit 3 42,177,16 1,19% 50,190 5654 Ghent Unit 4 31,022,091 1,19% 50,190 5653 Ghent Unit 3 31,022,091 1,270 2,232,10 5654 Ghent Unit 4 31,022,091 1,270 2,232,10 5655 Ghent Unit 4 31,022,091 2,232,10 12,70 5652 Trimble County Unit 2 FGD 5,223,07 2,00 1,27 5653 Trimble County Unit 2 FGD 31,399,286		5613 Green River Unit 3			0.00%		•
5621 Brown Unit 1 4,703,190 0.60% 28,215 5622 Brown Unit 2 2,232,100 0.08% 1,786 5623 Brown Unit 1,23 FGD 43,917,221 2,65% 1,163,800 5639 Brown Unit 1,2,3 FGD 43,917,221 2,65% 1,163,800 5651 Ghent Unit 1 18,842,151 0.39% 7,34% 5650 Ghent Unit 1 FGD 8,483,789 2,65% 224,822 5652 Ghent Unit 2 16,011,013 0.50% 80,055 5658 Ghent Unit 2 FGD 15,817,338 2,65% 419,155 5653 Ghent Unit 2 106,290,81 2,10% 2,232,100 3222 Trimble County Unit 2 106,290,81 2,10% 2,232,100 3222 Trimble County Unit 2 106,290,81 2,10% 2,232,100 3222 Trimble County Unit 2 106,290,81 2,10% 2,232,100 3591 System Laboratory 824,969 1,54% 12,70% 5603 Tyrone Unit 3 3,933,950,215 3,00 3,00 5604 Tyrone Unit 3 1,2,145,770 3,00 3,00 5613 Green River Unit		5614 Green River Unit 4		5,476,054	0.00%		-
5622 Brown Unit 2 2,232,100 0.08% 1,78% 5623 Brown Unit 3 21,039,674 0.54% 113,614 5630 Brown Unit 1,2,3 FGD 43,917,221 2.65% 1,163,800 5643 Pineville Unit 3 16,204 0.00% 7,348 5651 Ghent Unit 1 FGD 8,483,789 2.65% 224,822 5652 Ghent Unit 2 FGD 15,817,338 2.65% 419,155 5653 Ghent Unit 2 FGD 15,817,338 2.65% 419,155 5653 Ghent Unit 3 31,022,091 1,19% 50,190 322 Trimble County Unit 2 FGD 106,290,581 2.10% 2,232,101 322 Trimble County Unit 2 FGD 5,223,07 1,270 5,405,03 322 Trimble County Unit 2 FGD 5,223,07 1,270 5,405,03 312 M Boiler Plant Equipment 824,969 1,54% 12,70 563 Tyrone Unit 3 13,993,286 3.99 \$558,33 561 Green River Unit 4 25,165,91 4.20% 1,556,91 562 Brown Unit 1 43,302,489 2.98% 1,350,01		5615 Green River Units 1&2		2,560,764	0.00%		-
5623 Brown Unit 3 21,039,674 0.54% 113,616 5630 Brown Unit 1,23 FGD 43,917,221 2.65% 1,163,800 5651 Ghent Unit 1 18,842,151 0.39% 73,488 5650 Ghent Unit 1 FGD 8,843,789 2.65% 224,822 5652 Ghent Unit 2 16,011,013 0.50% 80,055 5653 Ghent Unit 3 42,177,126 1.19% 0.51,915 5654 Ghent Unit 3 42,177,126 1.19% 0.51,915 5654 Ghent Unit 3 31,022,091 1.14% 437,41 0321 Trimble County Unit 2 106,290,581 1.21% 2,232,10 0322 Trimble County Unit 2 FGD 5,522,307 2.10% 115,966 5591 System Laboratory \$333,950,15 \$140,00 12,70 312.00 Boiler Plant Equipmen \$12,00 32,40 14,95 561 Green River Unit 3 \$13,993,286 3.99% \$558,33 561 Green River Unit 3 \$12,145,770 3.08% 374,09 561 Green River Unit 3 \$2,165,914 4.20% 1,350,01		5621 Brown Unit 1		4,703,190	0.60%		28,219
5630 Brown Unit 1,2,3 FGD 43,917,221 2,65% 1,163,800 5643 Pineville Unit 3 16,0204 0,00% 73,48° 5650 Ghent Unit 1 FGD 8,483,789 2,65% 2224,820 5652 Ghent Unit 2 16,011,013 0,50% 8,005 5653 Ghent Unit 2 16,011,013 1,192,00 1,193 2,009 5654 Ghent Unit 3 31,022,001 1,19% 50,190 5654 Ghent Unit 4 31,022,001 1,14% 437,41 0322 Trimble County Unit 2 FGD 5,252,307 2,10% 1,15,06 312.00 8 olier Plant Equipment 2,203,00 1,50% 1,50%,00 312.01 8 olier Plant Equipment 3,395,286 3,99% \$ 5,583,33 5,60% 1,50%,00		5622 Brown Unit 2		2,232,100	0.08%		1,786
5643 Pineville Unit 3 16,004 0,00% -5 5651 Ghent Unit 1 FGD 18,884,157 2,65% 224,820 5652 Ghent Unit 2 FGD 16,011,013 0,50% 80,055 5653 Ghent Unit 2 FGD 15,817,338 2,65% 149,155 5653 Ghent Unit 3 42,177,126 1,19% 50,190 5654 Ghent Unit 4 31,022,071 1,41% 437,41 322 Trimble County Unit 2 FGD 5252,307 2,10% 12,70% 322 Trimble County Unit 2 FGD \$24,960 1,54% 12,70 312.00 Boiler Plant Equipment \$333,950,215 \$,540,503 5603 Tyrone Unit 3 \$13,993,286 3,99% \$558,333 5604 Tyrone Units 1&2 41,900 0,14% 5,558,33 5614 Green River Unit 4 25,165,914 420% 1,056,96 5614 Green River Unit 4 25,165,914 420% 1,056,96 5612 Green River Unit 1 42,502,489 2,18% 7,61 5612 Green River Unit 3 14,262,809 2,28% 3,993,59 5622 Brown Unit 1				21,039,674	0.54%		113,614
5651 Ghent Unit I FGD 18,842,151 0.3% 73,48* 5650 Ghent Unit I FGD 8,483,789 0.6%* 224,826* 5658 Ghent Unit 2 FGD 15,817,338 2.6%* 441,15* 5653 Ghent Unit 3 421,177,126* 1.19%* 501,900 5654 Ghent Unit 3 421,177,126* 1.19%* 501,900 5654 Ghent Unit 3 10,022,091 1.41%* 437,41* 0322 Trimble County Unit 2 FGD 5,522,307 2.10%* 2,232,10* 312.00 Boiler Plant Equipment 333,950,25* 5 55,505,053 312.01 Boiler Plant Equipment 313,993,286 3,99%* 5,552,353 5603 Tyrone Unit 3 \$13,993,286 3,99%* \$5,583,30 5613 Green River Unit 3 \$12,145,770 3,08%* 374,09 5613 Green River Unit 4 25,165,914 4,20%* 1,056,96* 5614 Green River Unit 4 25,165,914 4,20%* 1,056,96* 5612 Brown Unit 1 45,302,489* 2,8%* 3,74,99* 5621 Brown Unit 1,2,3 FGD 323,725,099* 3,87		5630 Brown Unit 1,2,3 FGD		43,917,221	2.65%		1,163,806
5650 Ghent Unit I FGD 8,483,789 2,65% 224,826 5652 Ghent Unit 2 FGD 16,011,013 2,67% 419,155 5653 Ghent Unit 3 42,177,126 1,19% 501,900 5654 Ghent Unit 4 31,022,091 1,19% 501,900 5654 Ghent Unit 2 FGD 502,307 2,10% 12,26% 529 System Laboratory 824,969 1,54% 12,960 5503 Tyrone Unit 3 \$13,993,286 3,99% \$5,405,033 312.00 Boller Plant Equipment \$13,993,286 3,99% \$5,833 5603 Tyrone Unit 3 \$13,993,286 3,99% \$558,33 5604 Tyrone Unit 182 421,900 0,14% 59 5613 Green River Unit 3 12,145,770 3,08% 374,99 5614 Green River Unit 3 2,165,694 4,20% 1,056,96 5613 Green River Unit 3 42,190,00 1,46 59 5613 Green River Unit 3 42,190,00 4,20% 1,056,96 5613 Green River Unit 3 42,00 3,00 3,00 1,252,16		5643 Pineville Unit 3		16,204			-
5652 Ghent Unit 2 16,011,013 0.50% 80,055 5653 Ghent Unit 2 FGD 15,817,338 2.65% 419,155 5653 Ghent Unit 3 42,177,126 1.19% 501,010 5654 Ghent Unit 4 31,022,091 1.41% 437,41 0322 Trimble County Unit 2 FGD 552,2370 2.10% 2232,107 5591 System Laboratory 824,969 1.54% 12,700 5603 Tyrone Unit 3 \$13,993,286 3.59% \$558,333 5604 Tyrone Unit 3 \$13,993,286 3.99% \$558,333 5613 Green River Unit 3 \$13,993,286 3.99% \$58,333 5614 Green River Unit 3 \$13,993,286 3.99% \$58,333 5614 Green River Unit 3 \$12,145,770 3.08% 374,090 5614 Green River Unit 4 25,165,914 4.20% 1,056,96 5615 Green River Unit 1 £2 349,298 2.18% 7,661 5622 Brown Unit 1 45,302,489 2.88% 1,350,01 5622 Brown Unit 1,2,3 FGD 323,725,099 3.87% 12,528,16 5630 Ghe		5651 Ghent Unit 1	•	. ,			73,484
5658 Ghent Unit 2 FGD 15,817,338 2,65% 419,15% 5653 Ghent Unit 3 42,177,126 1.19% 501,900 5654 Ghent Unit 4 31,022,091 1.41% 437,411 0321 Trimble County Unit 2 GDD 5522,307 2.10% 115,966 591 System Laboratory \$333,950,215 1.54% 15,606 503 Tyrone Unit 3 \$13,993,286 3.99% \$582,337 5604 Tyrone Units 1&2 421,900 0.14% 59 5613 Green River Unit 3 12,145,770 3.08% 3.74,09 5614 Green River Unit 4 25,165,914 420 1,056,96 5615 Green River Unit 18 23,492,98 2.18% 7,511 5621 Brown Unit 1 45,302,489 2.8% 1,350,01 5622 Brown Unit 2 41,956,868 3.01% 1,262,90 5633 Brown Unit 1,2,3 FGD 323,725,999 3.8% 5,880,46 5630 Ghent Unit 1 FGD 144,202,759 3.8% 5,880,46 5635 Ghent Unit 2 FGD 93,278,511 3.8% 7,633,44 5652 Ghent Unit 2 FGD		5650 Ghent Unit 1 FGD		8,483,789			224,820
5653 Ghent Unit 3 42,177,126 1.19% 501,90% 5654 Ghent Unit 4 31,022,091 1.41% 437,41 0322 Trimble County Unit 2 FGD 106,290,581 2.10% 2,322,10% 5591 System Laboratory 824,969 1.54% 115,966 5591 System Laboratory 8339,50,215 2.10% 115,966 5603 Tyrone Unit 3 \$13,993,286 3.99% \$58,33 5603 Tyrone Unit 3 \$13,993,286 3.99% \$58,33 5613 Green River Unit 3 12,145,770 3.08% 374,090 5614 Green River Unit 4 25,165,914 4.20% 1,056,966 5614 Green River Unit 182 349,298 2,18% 7,611 5621 Brown Unit 1 45,302,489 2,8% 1,350,01 5622 Brown Unit 2 41,956,868 3.01% 1,262,90 5633 Brown Unit 1 45,302,489 2,8% 3,935,99 5630 Brown Unit 1,2,3 FGD 323,725,099 3,87% 5,580,64 5631 Ghent Unit 1 FGD 142,207,59 3,87% 5,580,64 5653 Ghent Unit		5652 Ghent Unit 2			0.50%		80,055
5634 Ghent Unit 4 31,022,091 1.41% 437,41 0321 Trimble County Unit 2 106,290,81 2.10% 2,232,10 5591 System Laboratory \$24,496 1.54% 11,596 312.00 Boiler Plant Equipment \$33,950,215 \$5,505,033 5603 Tyrone Unit 3 \$13,993,286 3,99% \$558,33 5604 Tyrone Units 1&2 421,900 0.14% 59 5613 Green River Unit 3 12,145,770 3,08% 374,096 5614 Green River Unit 4 25,165,914 42,0% 1,056,96 5615 Green River Unit 3 41,956,868 3,01% 1,252,90 5621 Brown Unit 1 45,302,489 2,98% 3,993,59 5633 Brown Unit 1,2,3 FGD 323,725,099 3,87% 5,580,64 5630 Ghent Unit 1 FGD 144,262,390 2,80% 3,993,59 5630 Ghent Unit 1 FGD 198,785,055 3,84% 5,580,64 5635 Ghent Unit 2 FGD 93,278,511 3,87% 5,580,64 5656 Ghent Unit 2 FGD 93,278,511 3,87% 4,953,17 56	*	5658 Ghent Unit 2 FGD					419,159
10,221 Trimble County Unit 2		5653 Ghent Unit 3					501,908
115,966 125,91							437,411
1.599 System Laboratory 824,969 1.54% 1.270;		<i>*</i>					2,232,102
Sacration Sacr							
Solita Plant Equipment Solita S		5591 System Laboratory	•		1.54%	<u> </u>	
5603 Tyrone Units 3 \$ 13,993,286 3,99% \$ 558,332 5604 Tyrone Units 1&2 421,900 0.14% 59 5613 Green River Unit 3 12,145,770 3.08% 374,090 5614 Green River Unit 4 25,165,914 4.20% 1,056,966 5615 Green River Units 1&2 349,298 2.18% 7,61 5621 Brown Unit 1 45,302,489 2.98% 1,350,01 5622 Brown Unit 2 41,956,868 3.01% 1,262,90 5633 Brown Unit 3 142,628,390 2.80% 3,993,59 5630 Brown Unit 1,2,3 FGD 323,725,099 3.87% 12,528,16 5643 Pineville Unit 3 236,470 0.00% - 5653 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,644 5651 Ghent Unit 2 98,446,686 2.33% 2,293,80 5653 Ghent Unit 2 FGD 93,278,511 3.87% 3,609,87 5653 Ghent Unit 4 FGD 327,988,949 3.87% 4,953,17 5654 Ghent Unit 4 267,856,280 2.79% 7,473,19 5661 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 T	312.00	Roiler Plant Equipment	Ψ	333,730,213		Ψ	5,405,055
5604 Tyrone Units 1&2 421,900 0.14% 59 5613 Green River Unit 3 12,145,770 3.08% 374,090 5614 Green River Unit 4 25,165,914 4.20% 1,056,966 5615 Green River Units 1&2 349,298 2.18% 7,612 5621 Brown Unit 1 45,302,489 2.98% 1,350,014 5622 Brown Unit 2 41,956,868 3.01% 1,262,90 5633 Brown Unit 3 142,628,390 2.80% 3,993,59 5630 Brown Unit 1,2,3 FGD 323,725,099 3.87% 12,528,16 5643 Pineville Unit 3 236,470 0.00% - 5650 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,64 5651 Ghent Unit 2 98,446,686 2.33% 2,293,80 5652 Ghent Unit 2 98,446,686 2.33% 2,293,80 5653 Ghent Unit 2 FGD 93,278,511 3.87% 3,609,87 5654 Ghent Unit 4 FGD 127,988,949 3.87% 4,953,17 5654 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0322 Trimble County Un	312.00		\$	13 993 286	3 99%	\$	558 332
5613 Green River Unit 3 12,145,770 3 08% 374,090 5614 Green River Unit 4 25,165,914 4 20% 1,056,966 5615 Green River Units 1&2 349,298 2,18% 7,611 5621 Brown Unit 1 45,302,489 2,98% 1,350,01- 5622 Brown Unit 2 41,956,868 3 01% 1,262,900 5623 Brown Unit 3 142,628,390 2 80% 3,993,59 5630 Brown Unit 1,2,3 FGD 323,775,099 3 87% 12,528,16 5643 Pineville Unit 3 236,470 0.00% - 5650 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,64 5651 Ghent Unit 2 98,446,686 2.33% 2,293,80 5652 Ghent Unit 2 98,446,686 2.33% 2,293,80 5653 Ghent Unit 2 FGD 93,278,511 3,87% 3,609,87 5653 Ghent Unit 4 FGD 93,278,511 3,87% 4,953,17 5654 Ghent Unit 4 FGD 307,100,359 3,87% 4,953,17 5654 Ghent Unit 4 FGD 307,100,359 3,87% 11,884,78 0321 Trimble County Unit 2 50,158,969 4,28% 21,620,80			Ψ			Ψ	591
5614 Green River Unit 4 25,165,914 4.20% 1,056,966 5615 Green River Units 1&2 349,298 2.18% 7,615 5621 Brown Unit 1 45,302,489 2.98% 1,350,016 5622 Brown Unit 2 41,956,868 3.01% 1,262,90 5623 Brown Unit 3 142,628,390 2.80% 3,993,59 5630 Brown Unit 1,2,3 FGD 323,725,099 3.87% 12,528,16 5643 Pineville Unit 3 236,470 0.00% - 5650 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,64 5651 Ghent Unit 2 98,446,686 2.33% 2,293,80 5652 Ghent Unit 2 FGD 93,278,511 3.87% 3,609,87 5653 Ghent Unit 3 254,967,910 2.63% 6,705,655 5660 Ghent 3 FGD 127,988,949 3.87% 4,953,17 5654 Ghent Unit 4 267,856,280 2.79% 7,473,19 5651 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 Trimble County Unit 2 505,158,969 4.28% 21,620,80 0322 Trimble County Unit 3 \$4,805,514 3.44% \$165,31				•			
5615 Green River Units 1&2 349,298 2.18% 7,61: 5621 Brown Unit 1 45,302,489 2.98% 1,350,01- 5622 Brown Unit 2 41,956,868 3.01% 1,262,900 5623 Brown Unit 3 142,628,390 2.80% 3,993,59 5630 Brown Unit 1,2,3 FGD 323,725,099 3.87% 12,528,16 5650 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,64 5651 Ghent Unit 1 198,785,055 3.84% 7,633,34 5652 Ghent Unit 2 98,446,686 2.33% 2,293,80 5653 Ghent Unit 2 FGD 93,278,511 3.87% 3,609,87 5653 Ghent Unit 2 FGD 93,278,511 3.87% 4,953,17 5654 Ghent Unit 4 FGD 127,988,949 3.87% 4,953,17 5654 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 Trimble County Unit 2 FGD 70,735,320 4.28% 21,620,80 314.00 70,735,320 4.28% 3,022,47 \$661 Ghent Unit 4 FGD 70,735,320 4.28% 3,022,47 \$7,512,62<		•					
5621 Brown Unit 1 45,302,489 2.98% 1,350,01-6 5622 Brown Unit 2 41,956,868 3.01% 1,262,90 5623 Brown Unit 3 142,628,390 2.80% 3,993,59 5630 Brown Unit 1,2,3 FGD 323,725,099 3.87% 12,528,16 5643 Pineville Unit 3 236,470 0.00% - 5650 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,64 5651 Ghent Unit 2 FGD 98,446,686 2.33% 2,293,80 5653 Ghent Unit 2 FGD 93,278,511 3.87% 3,609,87 5653 Ghent Unit 3 254,967,910 2.63% 6,705,65 5660 Ghent 3 FGD 127,988,949 3.87% 4,953,17 5654 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 Trimble County Unit 2 FGD 70,735,320 4.28% 2,1620,80 314.00 70,735,320 4.28% 3,027,47 \$2,674,446,283 \$95,915,02 314.00 \$4,805,514 3.44% \$165,31 5604 Tyrone Units &2 \$4,805,514 3.44% \$165,31 5604 Tyrone Units 1&2 \$4,805,514 3.44%							
5622 Brown Unit 2 41,956,868 3.01% 1,262,900 5623 Brown Unit 3 142,628,390 2.80% 3,993,595 5630 Brown Unit 1,2,3 FGD 323,725,099 3.87% 12,528,16 5643 Pineville Unit 3 236,470 0.00% - 5650 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,64 5651 Ghent Unit 2 98,446,686 2.33% 2,293,80 5652 Ghent Unit 2 FGD 93,278,511 3.87% 3,609,87 5653 Ghent Unit 3 254,967,910 2.63% 6,705,65 5664 Ghent Unit 4 267,856,280 2.79% 7,473,19 5661 Ghent Unit 4 FGD 307,100,359 3.87% 4,953,17 5661 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 Trimble County Unit 2 505,158,969 4.28% 21,620,80 0322 Trimble County Unit 2 FGD 70,735,320 4.28% 3,027,47 \$ 2,674,446,283 \$ 95,915,02 314.00 \$ 4,805,514 3.44% \$ 165,31 5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,805,514				•			
5623 Brown Unit 3 142,628,390 2.80% 3,993,59.59.5630 5630 Brown Unit 1,2,3 FGD 323,725,099 3.87% 12,528,16 5643 Pineville Unit 3 236,470 0.00% - 5650 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,64 5651 Ghent Unit 2 98,446,686 2.33% 2,293,80 5658 Ghent Unit 2 FGD 93,278,511 3.87% 3,609,87 5653 Ghent Unit 3 254,967,910 2.63% 6,705,65 5660 Ghent 3 FGD 127,988,949 3.87% 4,953,17 5654 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 Trimble County Unit 2 505,158,969 4.28% 21,620,80 0322 Trimble County Unit 2 FGD 70,735,320 4.28% 3,027,47 \$ 2,674,446,283 \$ 95,915,02 314.00 Turbogenerator Units \$ 4,805,514 3.44% \$ 165,31 \$ 5603 Tyrone Unit 3 \$ 4,805,514 3.44% \$ 165,31 \$ 5604 Tyrone Units 1&2 68,206 0.00% - \$ 5613 Green River Unit 3 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
5630 Brown Unit 1,2,3 FGD 323,725,099 3.87% 12,528,16 5643 Pineville Unit 3 236,470 0.00% - 5650 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,64 5651 Ghent Unit 1 198,785,055 3.84% 7,633,34 5652 Ghent Unit 2 98,446,686 2.33% 2,293,80 5658 Ghent Unit 2 FGD 93,278,511 3.87% 3,609,87 5650 Ghent 3 FGD 127,988,949 3.87% 4,953,17 5654 Ghent Unit 4 267,856,280 2.79% 7,473,19 5661 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 Trimble County Unit 2 505,158,969 4.28% 21,620,80 0322 Trimble County Unit 2 FGD 70,735,320 4.28% 3,027,47 \$ 2,674,446,283 \$ 95,915,02 314.00 Turbogenerator Units \$ 4,805,514 3.44% \$ 165,31 5603 Tyrone Unit 3 \$ 4,805,514 3.44% \$ 165,31 5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4<				, ,			
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5650 Ghent Unit 1 FGD 144,202,759 3.87% 5,580,64 5651 Ghent Unit 1 198,785,055 3.84% 7,633,34 5652 Ghent Unit 2 98,446,686 2.33% 2,293,80 5658 Ghent Unit 2 FGD 93,278,511 3.87% 3,609,87 5653 Ghent Unit 3 254,967,910 2.63% 6,705,65 5660 Ghent 3 FGD 127,988,949 3.87% 4,953,17 5654 Ghent Unit 4 267,856,280 2.79% 7,473,19 5661 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 Trimble County Unit 2 505,158,969 4.28% 21,620,80 0322 Trimble County Unit 2 FGD 70,735,320 4.28% 3,027,47 5603 Tyrone Unit 3 \$ 4,805,514 3.44% \$ 165,31 5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14							-
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5654 Ghent Unit 4 267,856,280 2.79% 7,473,19 5661 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 Trimble County Unit 2 505,158,969 4.28% 21,620,80 0322 Trimble County Unit 2 FGD 70,735,320 4.28% 3,027,47 \$ 2,674,446,283 \$ 95,915,02 314.00 Turbogenerator Units \$ 4,805,514 3.44% \$ 165,31 5603 Tyrone Unit 3 \$ 4,805,514 3.44% \$ 165,31 5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14							4,953,172
5661 Ghent Unit 4 FGD 307,100,359 3.87% 11,884,78 0321 Trimble County Unit 2 505,158,969 4.28% 21,620,80 0322 Trimble County Unit 2 FGD 70,735,320 4.28% 3,027,47 \$ 2,674,446,283 \$ 95,915,02 314.00 Turbogenerator Units \$ 4,805,514 3.44% \$ 165,31 5603 Tyrone Unit 3 \$ 4,805,514 3.44% \$ 165,31 5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14							7,473,190
0321 Trimble County Unit 2 505,158,969 4.28% 21,620,80 0322 Trimble County Unit 2 FGD 70,735,320 4.28% 3,027,47 \$ 2,674,446,283 \$ 95,915,02 314.00 Turbogenerator Units \$ 4,805,514 3.44% \$ 165,31 5603 Tyrone Unit 3 \$ 4,805,514 3.44% \$ 165,31 5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14				307,100,359			11,884,784
\$ 2,674,446,283 \$ 95,915,02 314.00 Turbogenerator Units 5603 Tyrone Unit 3 \$ 4,805,514 3.44% \$ 165,31 5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14		0321 Trimble County Unit 2		505,158,969			21,620,804
314.00 Turbogenerator Units 5603 Tyrone Unit 3 \$ 4,805,514 3.44% \$ 165,31 5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14		0322 Trimble County Unit 2 FGD	V) Marie V Mar		4.28%		3,027,472
5603 Tyrone Unit 3 \$ 4,805,514 3.44% \$ 165,31 5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14	314 00	Turbogenerator Units	\$	2,674,446,283		\$	95,915,025
5604 Tyrone Units 1&2 68,206 0.00% - 5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14	314.00	•	2	4.805.514	3 44%	2	165 310
5613 Green River Unit 3 4,562,194 2.90% 132,30 5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14		•	J.			Φ	103,510
5614 Green River Unit 4 10,390,486 3.79% 393,79 5621 Brown Unit 1 7,512,825 1.12% 84,14		-					132 304
5621 Brown Unit 1 7,512,825 1.12% 84,14							
							-
3077 StOWICE ON 7		5622 Brown Unit 2		12,299,722	2.91%		. 357,922

	Property Group	Depreciable Plant 12/31/11	Current Rates ASL	Depreciation Using Curr. Rates
	5623 Brown Unit 3	29,293,398	3.17%	928,601
	5651 Ghent Unit 1	36,687,321	2.23%	818,127
	5652 Ghent Unit 2	30,417,592	2.08%	632,686
	5653 Ghent Unit 3	42,595,557	2.03%	864,690
	5654 Ghent Unit 4	57,036,973	2.20%	1,254,813
	0321 Trimble County Unit 2	\$3,994,733 \$319,664,520	2.78%	2,335,054 \$ 7,967,449
315.00	Accessory Electric Equipment			
	5603 Tyrone Unit 3	\$ 2,081,693	0.00%	\$ -
	5604 Tyrone Units 1&2	99,211	0.00%	-
	5613 Green River Unit 3	1,205,362	0.00%	30.353
	5614 Green River Unit 4	2,695,329	1.46%	39,352
	5621 Brown Unit 1	3,859,109	2.10%	81,041
	5622 Brown Unit 2	2,165,577	0.48%	10,395
	5623 Brown Unit 3	8,597,466	0.54%	46,426
	5630 Brown Unit 1,2,3 FGD	29,503,821	2.70%	796,603
	5650 Ghent Unit 1 FGD	13,292,785	2.70%	358,905
	5651 Ghent Unit 1	8,872,543	0.55%	48,799
	5652 Ghent Unit 2	13,858,389	0.60%	83,150
	5658 Ghent Unit 2 FGD	1,155,753	2.70%	31,205
	5653 Ghent Unit 3	30,932,405	1.03%	318,604
	5660 Ghent 3 FGD	12,041,998	2.70%	325,134
	5654 Ghent Unit 4	24,412,797	1.22%	297,836
	5661 Ghent 4 FGD	3,844,595	2.70% 2.49%	103,804 1,035,849
	0321 Trimble County Unit 2	41,600,357	2.49%	
	0322 Trimble County Unit 2 FGD	1,415,469 \$ 201,634,659	2.49%	35,245 \$ 3,612,349
16.00	Miscellaneous Plant Equipment			
	5603 Tyrone Unit 3	\$ 553,355	3.12%	\$ 17,265
	5604 Tyrone Units 1&2	50,127	0.00%	
	5613 Green River Unit 3	152,146	3.97%	6,040
	5614 Green River Unit 4	2,408,143	2.71%	65,261
	5615 Green River Units 1&2	84,750	0.00%	
	5621 Brown Unit 1	432,578	2.26%	9,776
	5622 Brown Unit 2	106,658	0.71%	757
	5623 Brown Unit 3	5,070,448	2.33%	118,141
	5650 Ghent Unit 1 FGD	1,033,027	2.87%	29,648
	5651 Ghent Unit 1	1,747,527	1.38%	24,116
	5652 Ghent Unit 2	1,500,525	1.07%	16,056
	5653 Ghent Unit 3	3,150,438	1.40%	44,106
	5654 Ghent Unit 4	7,455,181	2.03%	151,340
	0321 Trimble County Unit 2	3,502,447	3.00%	105,073
	5591 System Laboratory	\$ 30,010,399	2.74%	75,708 \$ 663,287
317.00	Asset Retirement Obligations - Steam*	56,489,771		
	Total Steam	\$ 3,627,076,951		\$ 113,563,149
Hydraul	lic Production Plant			
	5691 Dix Dam			_
	330.10 Land Rights	\$ 879,311	0.00%	\$ -
	331.00 Structures and Improvements	616,527	1.29%	7,953
	332.00 Reservoirs, Dams & Waterways	21,603,970	0.72%	155,549
	333.00 Water Wheels, Turbines and Generators	4,430,624	0.66%	29,242
	334.00 Accessory Electric Equipment	578,333	0.83%	4,800
	335.00 Misc. Power Plant Equipment	297,024	3.55%	10,544
	336.00 Roads, Railroads and Bridges	176,360	0.00%	-
	337.00 Asset Retirement Obligations - Hydro*	57,609		
	Total Hydraulic Plant	\$ 28,639,758		\$ 208,088

Property Group Other Production Plant			Depreciable Plant 12/31/11		Depreciation Using Curr. Rates		
Other P	roduction Plant						
340.10	Land Rights - 5645 Brown CT 9 Gas Pipeline	\$	176,409	2.97%	\$	5,239	
340.20	Land		118,514	0.00%		-	
341.00	Structures and Improvements						
	5697 Paddy's Run Generator 13		1,910,328	3.03%		57,883	
	5635 Brown CT 5		775,082	3.04%		23,562	
	5636 Brown CT 6		192,814	3.05%		5,881	
	5637 Brown CT 7		544,966	2.93%		15,968	
	5638 Brown CT 8		2,012,655	2.60%		52,329	
	5639 Brown CT 9		4,641,055	2.60%		120,667	
	5640 Brown CT 10		1,865,718	2.61%		48,695	
	5641 Brown CT 11		1,895,014	2.72%		51,544	
	0470 Trimble County CT 5		3,740,231	3.14%		117,443	
	0471 Trimble County CT 6		3,588,684	3.12%		111,967	
	0474 Trimble County CT 7		3,559,155	3.32%		118,164	
	0475 Trimble County CT 8		3,548,852	3.32%		117,822	
	0476 Trimble County CT 9		3,655,976	3.32%		121,378 121,281	
	0477 Trimble County CT 10		3,653,030 434,853	3.32% 6.47%		28,135	
	5696 Haefling Units 1,2,&3		36,018,413	0.4770	\$	1,112,720	
342.00	Fuel Holders, Producers and Accessories	Φ	30,010,413		D.	1,112,720	
.342.00	5697 Paddy's Run Generator 13	\$	1,995,101	3.11%	\$	62,048	
	5635 Brown CT 5	Ф	795,788	3.11%	Φ	24,749	
	5636 Brown CT 6	et	406,460	2.92%		11,869	
	5637 Brown CT 7		405,871	2.92%		11,851	
	5638 Brown CT 8		252,006	2.63%		6,628	
	5639 Brown CT 9		2,018,754	2.65%		53,497	
	5640 Brown CT 10		264,131	2.63%		6,947	
	5641 Brown CT 11		284,823	2.74%		7,804	
	5645 Brown CT 9 Gas Pipeline		8,106,131	2.57%		208,328	
	0470 Trimble County CT 5		239,584	3.21%		7,691	
	0471 Trimble County CT 6		239,246	3.21%		7,680	
	0473 Trimble County CT Pipeline		4,850,115	3.23%		156,659	
	0474 Trimble County CT 7		578,059	3.42%		19,770	
	0475 Trimble County CT 8		576,386	3.42%		19,712	
	0476 Trimble County CT 9		593,786	3.42%		20,307	
	0477 Trimble County CT 10		622,873	3.42%		21,302	
	5696 Haefling Units 1,2,&3		518,705	0.00%		-	
		\$	22,747,817		\$	646,841	
343.00	Prime Movers	•	17 002 264	2 (20)	•	C 4 4 400	
	5697 Paddy's Run Generator 13	\$	17,803,364	3.62%	\$	644,482	
	5635 Brown CT 5		14,666,936	3.65%		535,343	
	5636 Brown CT 6		34,600,149	3.55%		1,228,305	
	5637 Brown CT 7		31,657,719 26,710,990	3.58% 3.30%		1,133,346	
	5638 Brown CT 8 5639 Brown CT 9		23,335,363	3.23%		881,463 753,732	
	5640 Brown CT 10		20,074,766	3.26%		654,437	
	5641 Brown CT 11		34,794,971	3.41%		1,186,509	
	0470 Trimble County CT 5		31,137,756	3.72%		1,158,325	
	0470 Trimble County CT 5		32,030,243	3.72%		1,191,525	
	0471 Trimble County CT 7		23,223,116	3.91%		908,024	
	0475 Trimble County CT 8		23,034,741	3.91%		900,658	
	0476 Trimble County CT 9		22,902,196	3.91%		895,476	
	0477 Trimble County CT 10		22,850,722	3.91%		893,463	
		\$	358,823,032		\$	12,965,088	
344.00	Generators						
	5697 Paddy's Run Generator 13	\$	5,185,636	2.94%	\$	152,458	
	5635 Brown CT 5 5636 Brown CT 6		2,858,148 3,712,620	2.94% 2.76%		84,030 102,468	

5637 Brown CT 7 3,722,788 2.76% 101,367 5638 Brown CT 9 5,645,2041 2.14% 121,807 5640 Brown CT 10 4,944,212 2.24% 121,613 5641 Brown CT 11 5,187,604 2.35% 131,121 0470 Trimble County CT 5 3,763,275 3,04% 114,404 0474 Trimble County CT 6 3,757,947 3,04% 114,404 0474 Trimble County CT 9 2,950,328 3,26% 96,475 0475 Trimble County CT 9 2,957,200 3,26% 96,475 0476 Trimble County CT 19 2,951,300 3,26% 96,415 560 Hearting Luits 12,43 4,023,002 2,87 9,04 4047 Trimble County CT 10 2,954,103 3,26% 9,04 560 Brown CT 6 1,951,104 2,27 2,00 2,00 560 Brown CT 6 1,951,104 2,17% 3,124 6,586 563 Brown CT 8 2,270,200 2,89% 6,586 563 Brown CT 8 2,270,200 2,89% 6,586 563 Brown CT 8 <		Property Group	Depreciable Plant 12/31/11	Current Rates ASL	į	reciation Jsing rr. Rates
5618 Brown CT 8 4,953,961 2.4% 121,867 5619 Brown CT 19 4,944,423 2.4% 121,627 3640 Brown CT 11 1,187,640 2.53% 121,623 3641 Brown CT 11 3,763,275 3.0% 114,042 0471 Trimble County CT 6 3,763,275 3.0% 114,042 0474 Trimble County CT 8 2,937,930 3.2% 96,179 0475 Trimble County CT 19 2,951,720 3.2% 96,179 0475 Trimble County CT 10 2,951,439 3.2% 96,155 5696 Hardling List, 2,83 \$ 5,350,700 \$ \$5,350 \$ \$1,555,700 345 00 Accessory Electric Equipmen \$ \$2,270,200 2.8% \$ \$1,555,700 345 00 Accessory Electric Equipmen \$ \$2,270,200 2.8% \$ \$0,505 5638 Brown CT 5 2,270,200 2.8% \$ \$0,505 5638 Brown CT 6 1,955,216 2.71% \$ \$2,500 5638 Brown CT 8 2,270,270 2.8% \$ \$3,528 5639 Brown CT 9 4,205,847 2.23% \$ \$3,528 <			3,722,788	2.76%		102,749
S639 Brown CT 9				2.46%		121,867
S640 Brown CT 10						
S641 Brown CT 1		5640 Brown CT 10				-
0470 Trimble County CT 5						
1471 Trimble County CT 6			,			
1414 Trimble County CT 7						
1475 Trimble County CT 9		•				
1476 Trimble County CT 9		· ·				
1471 Trimble County CT 10 2,94,149 3,06% 3,00%		*				
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0477 Trimble County CT 10 41,869 3.49% 1,461 5696 Haefling Units 1,2,&3 35,805 0.00% - \$ 5,362,941 \$ 165,564 Total Other Production* 17,791 Transmission Plant 350.1 Land Rights \$ 23,413,729 0.98% \$ 229,455 350.2 Land 2,199,383 0.00% - 352.1 Struct and Impr. Non Sys Control 17,020,059 1.54% 262,109 352.2 Struct and Impr. Sys Control 1,220,543 1.43% 17,454 353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776		-				
September Sept						
\$ 5,362,941 \$ 165,564 347.00 Asset Retirement Obligations Other Production* 17,791 Total Other Production \$ 526,993,085 \$ 17,682,673 Transmission Plant 350.1 Land Rights \$ 23,413,729 0.98% \$ 229,455 350.2 Land 2,199,383 0.00% - 352.1 Struct and Impr. Non Sys Control 17,020,059 1.54% 262,109 352.2 Struct and Impr. Sys Control 17,020,059 1.54% 262,109 352.2 Struct and Impr. Sys Control 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776		· · · · · · · · · · · · · · · · · · ·				
347.00 Asset Retirement Obligations Other Production* 17,791 Total Other Production \$ 526,993,085 \$ 17,682,673 Transmission Plant 350.1 Land Rights \$ 23,413,729 0.98% \$ 229,455 350.2 Land 2,199,383 0.00% - 352.1 Struct and Impr. Non Sys Control 17,020,059 1.54% 262,109 352.2 Struct and Impr. Sys Control 1,220,543 1.43% 17,454 353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776		5070 Hudding Oliva 1,2,005	***************************************	0.0070	¢	
Total Other Production \$ 526,993,085 \$ 17,682,673 Transmission Plant \$ 23,413,729 0.98% \$ 229,455 350.1 Land Rights \$ 23,913,729 0.98% \$ 229,455 350.2 Land 2,199,383 0.00% - 352.1 Struct. and Impr. Non Sys Control 17,020,059 1.54% 262,109 352.2 Struct. and Impr. Sys Control 1,220,543 1.43% 17,454 353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776			ψ 5,502,541		Ψ	105,504
Transmission Plant 350.1 Land Rights \$ 23,413,729 0.98% \$ 229,455 350.2 Land 2,199,383 0.00% - 352.1 Struct. and Impr. Non Sys Control 17,020,059 1.54% 262,109 352.2 Struct. and Impr. Sys Control 1,220,543 1.43% 17,454 353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776	347.00	Asset Retirement Obligations Other Production*	17,791			
350.1 Land Rights \$ 23,413,729 0.98% \$ 229,455 350.2 Land 2,199,383 0.00% - 352.1 Struct. and Impr. Non Sys Control 17,020,059 1.54% 262,109 352.2 Struct. and Impr. Sys Control 1,220,543 1.43% 17,454 353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776		Total Other Production	\$ 526,993,085		\$	17,682,673
350.1 Land Rights \$ 23,413,729 0.98% \$ 229,455 350.2 Land 2,199,383 0.00% - 352.1 Struct. and Impr. Non Sys Control 17,020,059 1.54% 262,109 352.2 Struct. and Impr. Sys Control 1,220,543 1.43% 17,454 353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776	Тил	viccion Plant				
350.2 Land 2,199,383 0.00% - 352.1 Struct. and Impr. Non Sys Control 17,020,059 1.54% 262,109 352.2 Struct. and Impr. Sys Control 1,220,543 1.43% 17,454 353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776	rransm		¢ 22.412.720	0.000/	C	220 455
352.1 Struct. and Impr. Non Sys Control 17,020,059 1.54% 262,109 352.2 Struct. and Impr. Sys Control 1,220,543 1.43% 17,454 353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776					Ф	429,455
352.2 Struct. and Impr. Sys Control 1,220,543 1.43% 17,454 353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776						262.100
353.1 Station Equipment 191,753,788 1.98% 3,796,725 353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776						-
353.2 Syst Control/Microwave Equip 14,668,404 0.46% 67,475 354 Towers & Fixtures 95,353,357 1.21% 1,153,776		· · ·				
354 Towers & Fixtures 95,353,357 1.21% 1,153,776						
, :						
355 Poles & Fixtures 148,658,780 2.28% 3,389,420						
		355 Poles & Fixtures	148,658,780	2.28%		3,389,420

Property Group	Depreciable Plant 12/31/11	Current Rates ASL		epreciation Using urr. Rates
356 Overhead Conductors and Devices	160,446,879	1.79%		2,871,999
357 Underground Conduit	448,760	2.60%		11,668
358 Underground Conductors & Devices	1,161,549	1.26%		14,636
359 Asset Retirement Obligations - Transmission *	539,999			
Total Transmission Plant	\$ 656,885,230		\$	11,814,715
istribution Plant			•	10.051
360.1 Land Rights	\$ 2,039,033	0.65%	\$	13,254
360 2 Land	3,271,807	0.00%		-
360.2 Land (Plant Held for Future Use)	792,599	0.00%		126.262
361 Structures and Improvements	7,658,288	1.65%		126,362
362 Station Equipment	141,200,431	2.28%		3,219,370
364 Poles Towers & Fixtures	287,791,623	2.30%		6,619,207
365 Overhead Conductors and Devices	276,286,079	2.70%		7,459,724
366 Underground Conduit	1,861,963	1.93%		35,936
367 Underground Conductors & Devices	140,620,011	2.09%		2,938,958
368 Line Transformers	286,070,399	3.10%		8,868,182
369 Services	89,050,186	1.99%		1,772,099
370 Meters	70,049,355	1.76%		1,232,869
371 Installations on Customer Premises	18,253,214	2.38%		434,427
373 Street Lighting & Signal Systems	81,534,876	2.29%		1,867,149
374 Asset Retirement Obligations - Distribution*	787,035			
Total Distribution Plant	\$ 1,407,266,900		\$	34,587,536
eneral Plant				
389.2 Land	\$ 2,567,847	0.00%	\$	-
390.1 Structures & Improvements	47,011,270	1.66%		780,387
390.2 Improvements to Leased Property	531,973	1.56%		8,299
391.1 Office Furniture & Equipment	7,513,788	4.19%		314,828
391.2 Non PC Computer Equipment	17,256,012	10.14%		1,749,760
391.31 Personal Computer Equipment	6,398,372	15.47%		989,828
392 Transportation Equipment	15,967,079	20.00%		3,193,416
393 Stores Equipment	551,794	5.25%		28,969
394 Tool, Shop & Garage Equipment	7,648,755	4.75%		363,316
395 Laboratory Equipment	-	27.42%		-
396 Power Operated Equipment	1,174,225	6.37%		74,798
397.00 Communication Equipment	30,872,565	7.13%		2,201,214
398 Misc Equipment	-	20.54%		-
Total General Plant	\$ 137,493,681		\$	9,704,814
TOTAL PLANT IN SERVICE	\$ 6,443,004,900			
otal Annual Depreciation (excludes ARO amounts)				195,249,739
ess: Amounts not included in Income Statement Depreciation				
5645 Brown CT 9 Gas Pipeline				208,328
0473 Trimble County CT Pipeline				156,659
392 Transportation Equipment				3,193,416
ess: ECR Depreciation				48,214,34

^{*} Represents list of ARO assets. Please note these amounts are not included in the calculation.

Kentucky Utilities Company Environmental Surcharge Depreciation Period Ended December 31, 2011

Depreciation per ECR filings:	_200	5-2009 Plans
January, 2011		3,579,198
February, 2011		3,901,476
March, 2011		3,901,476
April, 2011		3,901,712
May, 2011		3,920,940
June, 2011		3,920,254
July, 2011		3,939,299
August, 2011		3,939,299
September, 2011		3,939,299
October, 2011		3,939,299
November, 2011		3,939,299
December, 2011		4,017,862
Total Depreciation Per ECR Filings	\$	46,839,413
December 2011 Depreciation Amount	\$	4,017,862
12 months per year		12
Annualized ECR Depreciation at December 31, 2009	\$	48,214,341

Adjustment to Reflect Increases in Labor and Labor-Related Costs <u>As Applied to the Twelve Months Ended December 31, 2011</u>

1	Wages (Page 2)	\$ 2,824,655
2	Payroll Taxes (Page 3)	194,354
3	401(k) (Page 4)	108,467
4	Total	 3,127,476
5	Kentucky Jurisdiction (Ref. Sch. Allocators)	88.933%
6	Kentucky Jurisdictional Adjustment	\$ 2,781,358

Adjustment to Reflect Increases in Labor and Labor-Related Costs <u>As Applied to the Twelve Months Ended December 31, 2011</u>

1	Labor for 12 months ended December 31, 2011		Operating	Const	ruction/Other	Total
2	Base	\$	87,633,745	\$	33,870,737	\$ 121,504,482
3	Overtime and Premium		11,375,938		4,367,380	15,743,318
4	TIA		7,314,936		2,639,604	9,954,540
5	Total Labor (Sum of Lines 2 - 4)	\$	106,324,619	\$	40,877,721	\$ 147,202,340
6	Total labor Excluding TIA (Line 5 - Line 4)	\$	99,009,683	\$	38,238,117	\$ 137,247,800
7	Total Operating and Construction/Other %		72.139%		27.861%	100.000%
8	Annualized base labor at December 31, 2011:					
9	Union - KU		100%	of total		\$ 9,703,782
10	Exempt - KU		100%	of total		12,189,654
11	Non-Exempt - KU		100%	of total		11,623,440
12	Hourly - KU		100%	of total		30,989,234
13	Exempt - Servco (allocated to KU)		52 573%	of total		47,130,718
14	Non-Exempt - Servco (allocated to KU)		52 573%	of total		8,032,720
15	Union - LGE (allocated to KU)		7 926%	of total		3,650,936
16	Exempt - LGE (allocated to KU)		7 926%	of total		1,697,286
17	Non-Exempt - LGE (allocated to KU)		7 926%	of total		180,553
18	Total Annualized Base Labor (Sum of Lines 9 - 17)					 125,198,323
19	Overtime & Premiums - (increases allocated as noted):					15,743,318
20	Wage increase applied to KU union and hourly overtime annualized for 2011 (01/01/11 - 07/16/11 OT La	bor x	3.0%)			190,147
21	Wage increase applied to KU non-exempt overtime annualized for 2011 (01/01/11 - 02/26/11 OT Labor x	3.0%)			5,194
22	Wage increase applied to LG&E union overtime annualized for 2011 (01/01/11 -11/13/2011 OT labor x 2	.5%)				23,213
23	Wage increase applied to LG&E non-exempt overtime annualized for 2011 (01/01/2011 - 02/20/2011 OT	Labor	x 3.0%)			308
24	Wage increase applied to Servco non-exempt overtime annualized for 2011 (01/01/11 - 02/20/11 OT Lab	or x 3	.0%)			3,553
25	Total Annualized Labor (Sum of Lines 18 - 24)					\$ 141,164,055
26	Operating Labor based on annualized labor					
	\$ 141,164,055 x		72.139%			\$ 101,834,338
27	Less: Test Year Operating Labor for 12 months ending 12/31/2011					 99,009,683
28	Labor Adjustment Total (Line 26 - Line 27)					\$ 2,824,655

Adjustments to Reflect Increases in Payroll Taxes <u>As Applied to the Twelve Months Ended December 31, 2011</u>

1	Operating Labor increase (Page 2 Line 28)	\$ 2,824,655
2	Percentage of wages that do not exceed Social Security (OASDI) limit	 87.591%
3	Operating Labor increase subject to Social Security tax (Line 1 x Line 2)	\$ 2,474,144
4	Medicare Tax (Line 1 x 1.45%)	\$ 40,957
5	Social Security Tax (Line 3 x 6 2%)	 153,397
6	Payroll Tax adjustment (Line 4 + Line 5)	\$ 194,354

Adjustment to Reflect Increases in Company Contribution to 401(k) <u>As Applied to the Twelve Months Ended December 31, 2011</u>

1	Direct total payroll for 12 months ended 12/31/11 (Page 2 Line 5)	\$ 1	47,202,340
2	Total 401(k) Company Match for 12 months ended 12/31/11	******	5,652,335
3	401(k) Company Match as a percent of payroll (Line 2 ÷ Line 1)		3.840%
4	Operating Labor increase (Page 2 Line 28)		2,824,655
5	401(k) Company Match operating increase (Line 3 x Line 4)	\$	108,467

KU, Servco, and LGE Labor Charged to KU

NO, Serveo, and Loc L	abo	, only god to the	Oper	atin	q				Con	struction/Othe	r		 Total
Base Overtime TIA Total Labor Union OT & Premiums	\$	Per KU Summary 40,722,135 9,694,868 2,778,608 53,195,611 2,057,532	\$ Per Servco Summary 42,371,269 629,601 4,212,986 47,213,856	\$	Per LGE Summary 4,540,341 1,051,469 323,342 5,915,152 1,049,819	\$ Total Operating 87,633,745 11,375,938 7,314,936 106,324,619 3,107,351	\$ Per KU Summary 20,828,700 3,632,870 1,366,998 25,828,568 945,023	\$ Per Servco Summary 11,618,917 63,247 1,166,202 12,848,366	\$	640,322 496,243 45,149 1,181,714 27,625	\$	Per LGE Summary 782,798 175,020 61,255 1,019,073 175,020	\$ Other 33,870,737 4,367,380 2,639,604 40,877,721 1,147,668

Kentucky Utilities

Report for Company: 110

report to Combi	iny . 110		
As of Date:	12/31/2011	Cummulative Annual Pay	Average Annual Pay
Union Wage Total Employees	145	_{9,703,782.40} A	66,922.64
Exempt Total Employees	136	11,701,914.00	86,043.49
Hourly Total Employees	446	30,989,233.60	69,482.59
Nonexempt Total Employees	210	11,623,440.20 C	55,349.72
Senior Manageme	ent 3	487,740.00 (B)	162,580.00

2B = 12,189,694 = "otal Exampt

LG&E and KU Services Company

Report for Company: 020

As of Date:	12/31/2011		
٠		Cummulative Annual Pay	Average Annual Pay
Exempt Total Employees	852	76,657,932.20	89,974.10
Nonexempt Total Employees	372	15,279,173.00	41,073.05
Senior Managemer Total Employees	ot 61	12,990,210,00(A)	212,954,26

(A)= 89,648,14220 X 59,5700

B=162791734.52.5796

Louisville Gas & Electric Co.

Report for Con	npany:	100
Ar of Dates	12/31/	2011

As of Date:	12/31/2011	Cummulative Annual Pay	Average Annual Pay
Union Wage Total Employees	686	46,062,785.60 🔖	67,146.92
Exempt Total Employees	230	20,719,760.00 🖔	90,085.91
Nonexempt Total Employees	46	2,277,990.00	49,521.52
Scnior Managem Total Employees	ent 4	694,390.00 B	173,597.50

46062785.60 46062785.60 3,652778,90

B 21414150 x7,93010

C 2779 990 x 7.930k

2

<u>Labor Charged by Exp Org Company to Company (Exp Types 0101-0174)</u> 2011

	Values		0	Cum of 4th	Sum of Total	Pct of Total
Row Labels	Sum of 1st	Sum of 2nd	Sum of 3rd	Sum of 4th	89,435,226	100.000%
P00020: TOTAL LG&E AND KU SERVICES COMPANY	22,884,184	22,131,751	22,940,427	21,478,865		1.943%
4	547,399	444,312	390,717	355,521	1,737,949	
20	159	33,405	40,281	43,145	116,990	0.131%
	10,273,278	9,961,243	10,440,357	9,759,505	40,434,382	45.211%
100 (LG&E)	12,032,265	11,661,102	12,038,547	11,287,292	47,019,205	52.573%
110 (KU)	29,856	31,900	28,975	33,403	124,135	0.139%
301	20,000	-	1,550	-	1,550	0.002%
304	_	891	.,	-	891	0.001%
507	4 220	(1,103)	_	_	125	0.000%
508	1,228		18,145,783	17,279,313	72,226,382	100.000%
P01000: TOTAL LGE UTILITY	18,289,650	18,511,637	310	107	1,344	0.002%
4	391	536		15,954,927	66,500,340	
100 (LG&E)	16,875,423	16,947,441	16,722,548			
110 (KU)	1,413,835	1,563,660	1,422,925	1,324,278		
P10040: TOTAL KU COMPANY	16,897,764		17,364,610	15,134,154		_
4	3,191	3,246	3,395	2,597	12,429	
20	-	-		160		
100 (LG&E)	180,149	312,695	393,658	129,509		1.524%
	16,714,424	16,959,461	16,967,557	15,001,888		
110 (KU) Grand Total	58,071,597		58,450,820	53,892,332	228,333,538	

Kentucky Utilities Company 401k Company Match 12/31/11

	 Exp T				
	 0708		0729		
KU Charging KU					
Construction/Other	\$ 944,205	\$	115,036		
Operating	1,936,442		223,439		
Servco Charging KU					
Construction/Other	439,719		80,076		
Operating	1,556,503		266,294		
LGE Charging KU					
Construction/Other	32,719		4,156		
Operating	22,455		3,522		
KU Charging Others					
Construction/Other	\$ 24,902	\$	2,867		
Total 401k Company Match	\$ 4,956,945	\$_	695,390	\$_	5,652,3

Calculation for Percentage of Wages That Do Not Exceed the Social Security Limit

		SS Wages	_	Medicare Wages		
Servco		94,723,156.02	3	122,101,354.61	4	77.6%
Allocated to LGE	45.2%	42,824,338.84		55,202,022.42		
Allocated to KU	52.6%	49,795,963.12		64,188,682.12		
KU		76.803.680.11	1	80,885,552.88	2	95.0%
Servco Allocated to KU	52.6%	49,795,963.12		64,188,682.12		77.6%
LGE Allocated to KU	7.93%	6,090,531.83		6,414,224.34		95.0%
		132,690,175.06	-	151,488,459.34		87.591%
LG&E		81,472,455.57	5	86,118,340.35	6	94.6%
Servco Allocated to LGE		42,824,338.84		55,202,022.42		77.6%
KU Allocated to LGE	1.52%	1,241,640.22		1,312,443.51		94.6%

To Adjust for Pension, Post Retirement, and Post Employment <u>For the Twelve Months Ended December 31, 2011</u>

	Pension	Post Retirement	Post Employment	Total	
1. Pension, Post Retirement and Post Employment expenses in test year	\$ 19,448,725	\$ 4,672,628	\$ 1,012,638	\$ 25,133,991	
Pension, Post Retirement, and Post Employment expenses annualized for 2012 Mercer Study	14,605,093	4,199,880	275,782	19,080,755	
3. Total adjustment (Line 2 - Line 1)	\$ (4,843,632)	\$ (472,748)	\$ (736,856)	\$ (6,053,236)	
4 Kentucky Jurisdiction (Ref. Sch. Allocators)				88.933%	
5. Kentucky Jurisdictional adjustment				\$ (5,383,324)	

Kentucky Utilities Company Pension Proforma Calculation

			KU	Servco
1. 2. 3.	Company O&M Pension expense (excluding Servco) Total Company Pension costs (excluding Servco) % O&M to total	(Line 1/Line 2)	\$ 10,158,866 17,148,804 59.2%	
4. 5. 6.	Servco O&M Pension expense charged to KU Total Servco Pension costs charged to KU % O&M to total	(Line 4/Line 5)		\$ 9,289,859 11,808,501 78.7%
7.	Projected 2012 Cost per Mercer Study (for KU includes KU Union and Non-Union Plans)		\$ 12,794,781	\$ 16,599,016
8.	Servco % allocated to KU based on labor split			53.8%
	Expected O&M expenses Servco O&M charged to KU Total O&M costs for 2012 Mercer target	(Line 3, Line 8 x Line 7) (Line 6 x Line 9 Servco) (Line 9 + Line 10)	\$ 7,579,564 7,025,528 \$ 14,605,093	\$ 8,930,271
13	KU 12 months ended December 2011 O&M Servco allocation for 12 months ended December 2011 O&M Test Year O&M for 12 months ended December 2011	(Line 1) (Line 4) (Line 12 + Line 13)	\$ 10,158,866 9,289,859 \$ 19,448,725	
15	. Expenses over (under) test year	(Line 11 - Line 14)	\$ (4,843,632)	

Kentucky Utilities Company Post-retirement Proforma Calculation

			k	.U	 Servco
1. 2. 3.	Company O&M Post-retirement expense (excluding Servco) Total Company Post-retirement costs (excluding Servco) % O&M to total	(Line 1/Line 2)		889,185 794,076 67.1%	
4. 5. 6.	Servco O&M Post-retirement expense charged to KU Total Servco Post-retirement costs charged to KU % O&M to total	(Line 4/Line 5)		-	\$ 783,443 995,267 78.7%
7.	Projected 2012 Cost per Mercer Study		\$ 5,0	001,551	\$ 1,989,779
8.	Servco % allocated to KU based on labor split				53.8%
9. 10. 11.	Expected O&M expenses Servco O&M charged to KU Total O&M costs for 2012 Mercer target	(Line 3, Line 8 x Line 7) (Line 6 x Line 9 Servco) (Line 9 + Line 10)		357,215 842,665 199,880	\$ 1,070,501
13	. KU 12 months ended December 2011 O&M . Servco allocation for 12 months ended December 2011 O&M . Test Year O&M for 12 months ended December 2011	(Line 1) (Line 4) (Line 12 + Line 13)	-	889,185 783,443 672,628	
15	. Expenses over (under) test year	(Line 11 - Line 14)	\$ (472,748)	

Kentucky Utilities Company Post-employment Proforma Calculation

			***************************************	KU		Servco
1. 2. 3.	Company O&M Post-employment expense (excluding Servco) Total Company Post-employment costs (excluding Servco) % O&M to total	(Line 1/Line 2)	\$	800,474 1,157,812 69.1%		
4. 5.	Servco O&M Post-employment expense charged to KU Total Servco Post-employment costs charged to KU				\$	212,164 269,004
6.	% O&M to total	(Line 4/Line 5)				78.9%
7.	Projected 2012 Cost per Mercer Study		\$	113,187	\$	465,516
8.	Servco % allocated to KU based on labor split					53.8%
9. 10.	Expected O&M expenses Servco O&M charged to KU	(Line 3, Line 8 x Line 7) (Line 6 x Line 9 Servco)	\$	78,254 197,529	\$	250,448
11.	Total O&M costs for 2012 Mercer target	(Line 9 + Line 10)	\$	275,782		
12. 13.	KU 12 months ended December 2011 O&M Servoo allocation for 12 months ended December 2011 O&M	(Line 1) (Line 4)	\$	800,474 212,164		
	Test Year O&M for 12 months ended December 2011	(Line 12 + Line 13)	\$	1,012,638	•	
	Expenses over (under) test year	(Line 11 - Line 14)		(736,856)	:	

Servco to KU

				Acct 1 Benef		O&M FASB 106	O&M FASB 112	O&M Pensions	O&M Pensions	BS/BTL FASB 106	BS/BTL FASB 106	BS/BTL FASB 112	BS/BTL Pensions	BS/BTL Pensions
Category	Account	Account Description	From Comp	To Comp Exp T	ype 0721	0731	0724	0728	0730	0721	0731	0724	0728	0730
C. Servco to KU	107001	CONSTR WORK IN PROG	0020	0110	0.00	0 00	0.00	0.00	0.00	105,772.62	111.99	28,125.79	1,246,209.96	14,162.93
C. Servco to KU	108901	RETIREMENT - RWIP	0020	0110	0.00	0.00	0.00	0.00	0.00	2,826.54	3.89	764.03	33,088.82	458 62
C. Servco to KU	143022	ACCTS REC - BEYOND THE METER	0020	0110	0.00	0.00	0.00	0.00	0.00	25.29	0.44	7.12	227.81	51.79
C. Servco to KU	143024	A/R MUTUAL AID	0020	0110	0.00	0.00	0.00	0.00	0.00	100.87	0.00	29.98	1,212.22	0.00
C. Servco to KU	163002	WAREHOUSE EXPENSES	0020	0110	00.00	0.00	0.00	0.00	00.0	706.70	1,61	193.68	7,991.35	190.72
C. Servco to KU	163100	OTHER	0020	0110	0.00	0.00	0.00	0.00	0.00	4,602.28	3.20	1,232.79	54,873.13	375.42
C. Servco to KU	183301	PRELIM SURV/INV-ELEC	0020	0110	0 00	0.00	0.00	0.00	0.00	125.26	0.00	34.92	1,542.17	0.00
C. Servco to KU	184307	ADMIN/OTH EXP-TRANSP	0020	0110	0.00	0.00	0.00	0 00	0.00	1,708.19	3.36	455.11	19,713.82	394.75
C. Servco to KU	184600	ENGINEERING OVERHEADS - GEN	0020	0110	0.00	0.00	0.00	0.00	0.00	3,992.20	4.91	1,099.64	46,326.81	577.96
C. Servco to KU	184602	ENGINEERING OVERHEADS - DIST	0020	0110	0.00	0.00	0.00	0.00	0.00	5,121.91	6.78	1,394.50	60,050.52	797.92
C. Servco to KU	184605	ENGINEERING OVERHEADS - TRAI	0020	0110	0.00	0.00	0.00	0.00	0.00	52,568.60	59.23	14,275.53	617,970.08	7,626.38
C. Servco to KU	184612	ENGINEERING OVERHEADS - DIST	0020	0110	0.00	0.00	0.00	0.00	0 00	24,580.79	32.24	6,657.58	288,626.84	3,892.71
C. Servco to KU	426401	EXP-CIVIC/POL/REL	0020	0110	0.00	0.00	0.00	0.00	00.0	71.72	0.40	21.23	808.64	45.81
C. Servco to KU	426491	EXP-CIVIC/POL/REL - INDIRECT	0020	0110	0.00	0.00	0.00	0.00	0.00	9,055.91	12.64	2,457.27	106,059.27	1,491.03
C. Servco to KU	426501	OTHER DEDUCTIONS	0020	0110	0.00	0.00	0.00	0.00	0.00	71.08	0.09	20.08	852.42	10.13
C. Servco to KU	426591	OTHER DEDUCTIONS - INDIRECT	0020	0110	0.00	0.00	0.00	0.00	0.00	252.80	0.25	69.97	2,982.97	29.24
C. Servco to KU	908005	DSM CONSERVATION PROG	0020	0110	12,432.10	18.53	3,351.18	145,507.58	2,180.68	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926101	PENSIONS EXPENSE - BURDENS	0020	0110	0.00	0.00	0.00	3,562,503.73	0 00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926105	FASB 112 (OPEB) POST EMPLOYM	0020	0110	0.00	0.00	75,158.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926106	FASB 106 (OPEB) POST RETIREME	0020	0110	280,751.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926117	CLOSED 04/11 - PENSION INTERES	0020	0110	0.00	0.00	0.00	0.00	102,467.73	0.00	0.00	0.00	0.00	0 00
C. Servco to KU	926118	CLOSED 04/11 - FASB 106 INTERES	0020	0110	0.00	(21,670.96)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926911	PENSIONS EXPENSE - BURDENS II	0020	0110	0.00	0.00	0.00	5,451,076.97	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926915	FASB 112 (OPEB) POST EMPLOYM	0020	0110	0.00	0.00	133,654.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926916	FASB 106 (OPEB) POST RETIREME	0020	0110	489,085.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00
C. Servco to KU	926917	PENSION INTEREST EXPENSE - BL	0020	0110	0.00	0.00	0.00	0.00	26,122.20	0.00	0.00	0.00	0.00	0.00
C. Servco to KU	926918	FASB 106 INTEREST (OPEB) POST	0020	0110	0.00	22,826.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Totals				782,268.77	1,173.97	212,164.40	9,159,088.28	130,770.61	211,582.76	241.03	56,839.22	2,488,536.83	30,105.41

Pension		FAS 106	
9,289,858.89 C	&M 78.67094%	783,442.74	O&M 78.716889
2,518,642.24 B	/S 21.32906%	211,823,79	B/S 21.283129
11.808.501.13 T	otal 2011	995,266,53	Total 2011

FAS 112
212,164.40 O&M 78.87046%
56,839.22 B/S 21.12954%
269,003.62 Total 2011

1.2031270

1

Category	Account	Account Description	From Comp	To Comp	Acct Type Benefit Exp Type	O&M FASB 106 0721	O&M FASB 106 0731	O&M FASB 112 0724	O&M Pensions 0728	O&M Pensions 0730	BS/BTL FASB 106 0721	BS/BTL FASB 106 0731	BS/BTL FASB 112 0724	BS/BTL Pensions 0728	BS/BTL Pensions 0730 21.370.44
			2440	0110		0.00	0.00	0.00	0.00	0.00	1,276,960.92	47,574.13	314,410 04	3,919,590.51 271,587,73	1,140,44
A. KU to KU		CONSTR WORK IN PROG	0110	0110		0.00	0.00	0.00	0.00	0.00	89,342.03	2,538.92	5,637.71	172,577.98	(286.99)
A. KU to KU	108901	RETIREMENT - RWIP	0110 0110	0110		0.00	0.00	0.00	0.00	0.00	55,977.84	1,618.21	(1,012.27)	183.399.72	(304.98)
A. KU to KU		ACCTS REC - IMEA	0110	0110		0.00	0.00	0.00	0.00	0.00	59,487.98	1,719.68	(1,075.73)	10.885.61	21.51
A. KU to KU	143004	ACCTS REC - IMPA		0110		0.00	0.00	0.00	0.00	0.00	3,911.96	47.50	155.23	233.01	0.00
A. KU to KU	143022	ACCTS REC - BEYOND THE METER	0110 0110	0110		0.00	0.00	0.00	0.00	0.00	76.86	0.00	4.77	418.412.08	2.758.91
A. KU to KU	143024	A/R MUTUAL AID		0110		0.00	0.00	0.00	0.00	0.00	136,494.86	6,141.82	8,653.85	1.579.35	9.49
A. KU to KU	163002	WAREHOUSE EXPENSES	0110	0110		0.00	0.00	0.00	0.00	0.00	514.79	21.11	32.29		0.00
A. KU to KU	163100	OTHER	0110			0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	1,084,915.92	3,260.00
A. KU to KU	182311	FERC JURISDICTIONAL PENSION E	0110	0110 0110		0.00	0.00	0.00	0.00	0.00	26,073.74	33.44	7,128.56	316,093.50 5.932.40	0.00
A. KU to KU	184076	ADMINISTRATIVE AND GENERAL -	0110	0110		0.00	0.00	0.00	0.00	0.00	1,879,16	0.00	134.34		3,352.19
A. KU to KU	184605	ENGINEERING OVERHEADS - TRA	0110	0110		0.00	0.00	0.00	0.00	0.00	182,364.41	7,462.47	11,467.71	559,932.95	0.00
A. KU to KU	184612	ENGINEERING OVERHEADS - DIST	0110			(0.16)	0.00	(0.02)	(0.51)	0.00	0.00	0.00	0.00	0.00 0.00	0.00
A. KU to KU	506100	MISC STM PWR EXP	0110	0110		(0.04)	0.00	(0.01)	(0.09)	0.00	0.00	0.00	0.00	0.00	0.00
A. KU to KU	514100	MTCE-MISC/STM PLANT	0110	0110 0110		(0.14)	0.00	94.56	(0.43)	0.00	0.00	0.00	0.00	0.00	0.00
A. KU to KU	922003	TRIMBLE CTY TRAN-CR	0110	0110		0.00	0.00	0.00	10,129,251.58	0.00	0.00	0.00	0.00	0.00	0.00
A. KU to KU	926101	PENSIONS EXPENSE - BURDENS	0110			0.00	0.00	771.864.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. KU to KU	926105	FASB 112 (OPEB) POST EMPLOYM	0110	0110		3.825.867.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
A. KU to KU	926106	FASB 106 (OPEB) POST RETIREME	0110	0110		0.00	0.00	0.00	0.00	(101,956.56)	0.00	0.00	0.00	0.00	
A. KU to KU	926117	CLOSED 04/11 - PENSION INTERES	0110	0110		0.00	18.748.56	0.00	0.00	0.00	00.0	00.0	00.0	0.00	0.00
A, KU to KU	926118	CLOSED 04/11 - FASB 106 INTERE:	0110	0110			0.00	0.00	0.00	0.00	1.85	0.00	0.04	4.71	0.00
B. KU to Others	107001	CONSTR WORK IN PROG	0110	0004		0.00	0.00	0.00	0.00	0.00	4,402.01	216.94	245.40	13,302.91	97.48
B. KU to Others	107001	CONSTR WORK IN PROG	0110	0100		0.00		0.00	0.00	0.00	27.93	0.00	0.72	71.23	0.00
B. KU to Others	108901	RETIREMENT - RWIP	0110	0100		0.00	0.00	0.00	3,213.85	0.00	0.00	0.00	0.00	0.00	0.00
B. KU to Others	926101	PENSIONS EXPENSE - BURDENS	0110	0004		0.00	0.00		127.519.29	0.00	0.00	0.00	0 00	0.00	0.00
B. KU to Others	926101	PENSIONS EXPENSE - BURDENS	0110	0100		0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
B. KU to Others	926105	FASB 112 (OPEB) POST EMPLOYM	0110	0004		0.00	0.00	63.55	0.00		0.00	0.00	0.00	0.00	0.00
		FASB 112 (OPEB) POST EMPLOYM	0110	0100		0.00	0.00	2,569.96	0.00	0.00		0.00	0,00	0.00	0.00
B. KU to Others	926105		0110	0004		1,045,54	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00
B. KU to Others	926106	FASB 106 (OPEB) POST RETIREME	0110	0100		41,657.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. KU to Others	926106	FASB 106 (OPEB) POST RETIREME		0004		0.00	0.00	0.00	0.00	19.41	0.00	0.00		0.00	0.00
B. KU to Others	926117	CLOSED 04/11 - PENSION INTERES	0110			0.00	0.00	0.00	0.00	819.09	0.00	0.00	0.00	0.00	0.00
B. KU to Others	926117	CLOSED 04/11 - PENSION INTERES	0110	0100 0004		0.00	43.18	0.00	0.00	0.00	0.00	0.00	0.00		0.00
B. KU to Others	926118	CLOSED 04/11 - FASB 106 INTERE:	0110			0.00	1.823.27	0.00	0.00	0.00	0.00	0.00	00.0	00.0	0.00
B. KU to Others	926118	CLOSED 04/11 - FASB 106 INTERE:	0110	0100		0.00	1,020.21	3.00							94 440 45
	Totals					3,868,570.38	20,615.01	774,592.36	10,259,983.69	(101,118.06)	1,837,516.34	67,374.22	345,783.66	6,958,519.61	31,418.49

Pension 10,158,865.63 O&M 6,989,938.10 B/S 17,148,803.73 Total 2011	59.23950% 40.76050%	FAS 106 3,889,185.39 1,904,890.56 5,794,075.95	B/S Total 2011	67.12348% 32.87652%
17,148,803.73 Total above		5,794,075.95 5,794,076.00	Total above Per Mercer Disclosure	es
17,148,804.00 Per Mercer Disc	osures	5,7 0 4,01 0.00		
FAS 112 774,592.36 O&M 345,783.66 B/S 1,120,376.02 37,436.00 Medicare subsic 1,157,812.00 Per Mercer Disc (0.02) Difference		Alloc. Subsidy 25,882.06 11,553.94	Net of Subsidy 800,474.42 357,337.60 1,157,812.02	69.13682% 30.86318%

2012 Net Periodic Pension Cost for Qualified Plans

Regulatory Accounting Purposes

	_	NonUnion Retirement Plan							
	LG&E Union	LG&E	ServCo	KU	WKE	<u>Total</u>	WKE-Union		
 Service cost Interest cost Expected return on assets Amortizations: 	\$ 1,843,972 14,461,112 (18,818,406)	\$ 1,895,083 10,339,722 (11,648,470)	\$ 11,013,002 16,861,449 (17,328,582)	\$ 7,075,655 18,053,285 (20,559,409)					
a. Transitionb. Prior service costc. Gaín/loss	0 2,485,200 10,667,520	0 2,011,714 3,819,343	0 2,505,928 3,547,219	0 691,710 7,533,540					
5. Net periodic pension cost	\$ 10,639,398	\$ 6,417,392	\$ 16,599,016	\$ 12,794,781					

Financial Accounting Purposes

	-		Nonl	<u>Jnion Retiremer</u>	ıt Plan		
	LG&E Union	LG&E	<u>ServCo</u>	<u>KU</u>	WKE	Total	WKE-Union
 Service cost Interest cost Expected return on assets Amortizations: Transition Prior service cost Gain/loss 	\$ 1,843,972 14,461,112 (18,818,406) 0 778,382 0	\$ 1,895,083 10,339,722 (11,648,470) 0 0	\$ 11,013,002 16,861,449 (17,328,582) 0 0 0	\$ 7,075,655 18,053,285 (20,559,409)			
5. Net periodic pension cost	\$ (1,734,940)	\$ 586,335	\$ 10,545,869	\$ 4,569,531			

LG&E and KU Energy LLC 2012 Net Periodic Benefit Cost For Postretirement Benefit Plans

December 31, 2011 Measurement Date

Financial Accounting (Includes Purchase Accounting)

			Non-U						
	LG&E	KU	ServCo	WKE	International	Total	LG&E Union	WKE Union	C
Service cost	\$491,450	\$1,406,855	\$1,577,596					AAVE OUIOU	Grand Total
Interest cost	1,545,476	3,521,798	1,398,839				\$470,007	•	
Expected return on assets	(466,683)	(1,793,088)	(1,781,569)				2,342,959	-	
Amortizations:			3,1,5,1,5,0,0,7				U	-	
Transition	0	٥	0						
Prior service cost	283,863	586.092	512,905				0		
Gain/loss	(9,653)	(796,052)	(8,490)				375,701		
Net periodic benefit cost	\$1,844,453	\$2,925,605	\$1,699,281				(346,738) \$2,841,929	-	

Regulatory Accounting (Excludes Purchase Accounting)

-			Non-l	Jnion					
	LG&E	KU	ServCo	WKE	International	Total	LG&E Union	WKE Union	Cuond Tatal
Service cost	\$491,450	\$1,406,855	\$1,577,596			·Otal		WINE Official	Grand Total
Interest cost	1,545,476	3,521,798	1,398,839				\$470,007		
Expected return on assets	(466,683)	(1,793,088)	(1,781,569)				2,342,959	-	
Amortizations:			(1)101,000)				0		
Transition	252,457	1,120,928	109,514				147.004		
Prior service cost	568,983	912,738	685,399				417,201		
Gain/loss	0	(167,680)	0				1,220,885		
Net periodic benefit cost	\$2,391,683	\$5,001,551	\$1,989,779				(818,162) \$3,632,890		
								-	
Accumulated Postretirement Benefit Obligation (APBO)									
as of December 31, 2011	33,701,479	76,240,751	29,641,760				50,568,553		

LG&E & KU Energy. LLC

Estimated Year End FAS 112 Liability For Post-Employment Benefits For Disabled Employees

Liability Date	LG&E	KU	ServCo	International	WKE	Total
12/31/2011	4,311,798	5,422,837	2,186,069			
- 12/31/2012	4,991,769	5,536,024	2,651,585			
12/31/2013	5,658,500	5,626,845	3,107,206			
12/31/2014	6,262,101	5,733,038	3,557,025	8		
12/31/2015	6,827,619	5,820,825	3,955,462			

Notes

- 1. Plan costs have been based on census data as of November 2010.
- 2. Future employees were projected to become disabled based on the assumptions used in the determination of the 2011 FAS 106 expense.
- 3. All other data, methods, plan provisions and assumptions (including 4.55% discount rate) are the same as those used in the determination of the December 31, 2010 FAS 112 liability, including a reduction in liability for Medicare-eligible disableds associated with the Medicare Modernization Act of 2003.

Adjustment to Reflect Normalized Storm Damage Expense For the Twelve Months Ended December 31, 2011

Storm damage provision based upon ten year average	\$ 3,765,868	
2. Storm damage expenses incurred during the 12 months ended December 31, 2011	3,998,403	-
3. Adjustment	(232,535)	ı
4. Kentucky Jurisdiction	94.089%	-
5. Kentucky Jurisdictional adjustment	\$ (218,790)	 =

			CPI-All Urban	
Year		Expense	Consumers	Amount
2011	\$	3,998,403	1.0000	\$ 3,998,403
2010		2,626,597	1.0316	2,709,597
2009		5,225,248 (a)	1.0485	5,478,673
2008		6,951,799 (a)	1.0448	7,263,240
2007		2,035,291	1.0849	2,208,087
2006		4,113,534	1.1158	4,589,881
2005		2,539,379	1.1518	2,924,857
2004		4,120,482	1.1908	4,906,670
2003		1,434,000	1.2225	1,753,065
2002		1,460,495	1.2504	 1,826,203
Total				\$ 37,658,676
Ten Year Average	;			\$ 3,765,868

(a) 2008 and 2009 expenses do not include 2008 Wind Storm and 2009 Winter Storm expenses that were recorded as regulatory assets.

Total Company Storm costs -- Opex
Company Org Acct Type
KUTL 013085-. CORE-TOTAL OPERATING EXPENSES

	2004	2005	2006	2007	2008	2009	2010	2011
Project				110 000 05	79,342.96	58.99	0.00	0.00
111424 Norton-Storm Restoration	31,124 11	49,967.47	86,099.49	112,093.95		1,578.98	0.00	0.00
111425 Pineville-Storm Restoration	89,818 45	117,014.89	152,959.39	86,198.65	250,794.70	22.39	0.00	0.00
111426 London-Storm Restoration	37,444.21	8,609,70	15,395.37	15,290.11	55,333.96 178,144.73	2.011.46	0.00	0.00
111427 Earlington-Storm Restoration	99,458 85	85,582.38	293,998.40	212,295.62		-296.25	0.00	0.00
111429 Danville-Storm Restoration	21,583.12	6,796.77	35,996.12	58,075.53	55,341.46	-290.25	0.00	0.00
111430 Etown-Storm Restoration	20,373.98	12,693.56	4,025.30	32,605.83 52,453,56	6,761.15 94,926.65	17.79	0.00	0.00
111431 Shelbyville-Storm Restoration	22,094.70	3,339.68	19,742.71			0	0.00	0.00
111432 Maysville-Storm Restoration	81,198.77	46,275.50	42,976.95	78,044.63	108,672.81		0.00	0.00
111433 Lexington-Storm Restoration	114,783.09	105,555.88	189,755.56	270,006.26	289,785.61	5,479.13	0.00	0.00
111434 Richmond-Storm Restoration	33,829.76	14,376.31	21,889.60	28,424.80	26,330.13	0.00		0.00
113493 Storm Damage III	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
115715 KU ICE STORM 2/15/03	-466,245.76	0.00	756.07	0.00	0.00	0.00	0.00	0.00
116467 KU STORMS 7/23/03	0.00	0.00	203.61	0.00	0.00	0.00	0.00	0.00
116828 KU STORMS 8/22/03	0.00	0.00	894.09	0.00	0.00	0.00	0.00	0.00
116840 EARLINGTON STORM 8/27/03	102.45	0.00	447.01	0.00	0.00	0.00	0.00	0.00
117216 KU STORMS - 1/25/04	93,394.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00
117548 KU Storm 5/19/04	91,932.10	6,172.20	0.00	0.00	0.00	0.00	0.00	0.00
	1,135,000.27	0,00	0.00	0.00	0.00	0.00	0.00	0.00
117628 KU/ODP STORMS 5/26-27/04	768,826.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
117639 KU/ODP Storms 5/30/04	53,048.68	0.00	0.00	0,00	0.00	0.00	0.00	0.00
117695 KU Storms 6/12/04	244,525,51	0.00	0.00	0,00	0.00	0.00	0.00	0.00
118161 Storm 7/5/04	809,126.62	-932.33	0.00	0.00	0.00	0.00	0.00	0.00
118233 KU STORMS 7/13/04	141,080.11	0,00	0.00	0.00	0.00	0.00	0.00	0.00
118265 KU STORMS 7/22/04	42,055,48	16.35	0.00	0.00	0.00	0.00	0.00	0.00
118408 KU - Storm 8/28 & 29/04	112,339.99	0.00	0.00	0.00	0.00	0,00	0.00	0.00
118409 KU - STORMS 9/17/04	-3,388.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00
119254 KU - Florida Storm 9/04	-3,366.47 691.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
119287 KU - Alabama Storm	2,627.62	3,750,00	0.00	0.00	0.00	0.00	0.00	0.00
119288 Florida Power & Light Storm	•	0.00	0.00	0.00	0.00	0.00	0.00	0.00
119521 Florida Power & Light Storm II	1,708.05	377.66	7.002.26	0.00	0.00	0,00	0.00	0.00
119786 KU Storms 11/24/04	39,206.59	6,432.27	7,002.26	0.00	0.00	0.00	0.00	0.00
119827 KU Storms 12/07/04	109,998.55 392,7 44 .01	484,679.88	0.00	0.00	0.00	0.00	0.00	0.00
119866 KU ICE STORM 12-23-04	392,744.01	55,497.84	0.00	0.00	0.00	0.00	0.00	0.00
119933 KU Storms 1/13/05	0.00	77,783.94	0.00	0.00	0.00	0.00	0.00	0.00
120163 KU Storms 4/22/2005			0.00	0.00	0.00	0.00	0.00	0.00
120164 KU Storms 5/19 &20/2005	0.00	116,999.80	0.00	0.00	0.00	0.00	0.00	0.00
120188 KU Storms 6/14/2005	0.00	111,032.81 35,026.89	46,710.74	0.00	0.00	0.00	0.00	0.00
120250 PSRT TRAINING	0.00	35,026.89 49,927.11	7.60	0.00	0.00	0.00	0.00	0.00
120738 KU Storms - August 5, 2005	0.00	•	17.39	0.00	0.00	0.00	0.00	0.00
120739 KU Storms - August 20, 2005	0.00	9,370.11 1,710.00	0,00	0.00	0.00	0,00	0,00	0.00
120954 Storm Trailer Stocking KU	0.00	105,893.90	-903.37	0.00	0.00	0.00	0.00	0.00
121126 KU Storms - August 30, 2005	0.00		-903.37 3,748.43	0.00	0.00	0.00	0.00	0.00
121205 STORM BONUS	0.00	88,000.00		0.00	0.00	0.00	0.00	0.00
121323 KU Storms - November 6, 2005	0.00	138,542.67	4,572.39 952,842.99	137.86	0.00	0.00	0,00	0.00
121329 KU Storms - November 15, 2005	0.00	737,377.02	•	0.00	0.00	0.00	0.00	0.00
121361 KU Storms - November 28, 2005	0.00	61,508.94 0.00	5,189.79 272,532.54	0.00	0.00	0.00	0.00	0.00
121511 KU Storms - March 9, 2006	0.00	0.00	331,412.41	2,501.92	0.00	0.00	0.00	0.00
121512 KU Storms - April 2, 2006	0.00 0 00	0.00	140,066 46	0.00	0.00	0.00	0.00	0.00
121513 KU Storms - May 25, 2006	0.00	0.00	130,959,66	0.00	0.00	0.00	0.00	0.00
121674 KU Storms - May 31, 2006	0.00	0.00	103,627.88	0.00	0.00	0.00	0 00	0.00
121675 KU Storms - June 10 & 11, 2006	0.00	0.00	205,083 85	16.80	0.00	0.00	0.00	0.00
121687 KU Storms - June 23, 2006	0.00	0.00	231,686.75	-4,501.19	0.00	0.00	0.00	0.00
121706 KU Storms - July 21, 2006	0.00	0.00	201,000.70	-1,007.10				

Total Company Storm costs -- Opex Company Org Acct Type

	2004	2005	2006	2007	2008	2009	2010	2011
Project								0.00
122185 KU Storms-August 3, 2006	0.00	0.00	19,306.15	396.90	0 00	0.00	0.00	0.00
122186 KU Storms - August 10, 2006	0.00	0.00	294,101.43	-1,004.76	0.00	0.00	0.00	
122204 KU Storms - Sept. 22, 2006	0.00	0.00	217,553.68	204.55	0.00	0.00	0.00	0.00
122205 KU Storms - Dec. 1, 2006	0.00	0.00	282,798.23	2,614.71	0.00	0.00	0.00	0.00
122635 KU Storms - April 3, 2007	0.00	0.00	76.62	496,260 62	0.22	0.00	0.00	0.00
122786 KU Storms - July 4 & 5, 2007	0 00	0.00	0.00	112,252.36	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	62,634 85	0.00	0.00	0.00	0.00
123126 KU STORMS July 17, 2007	0.00	0.00	0.00	101,978.49	0.00	0.00	0.00	0 00
123127 KU storms July 19, 2007	0.00	0.00	0.00	193,317.40	24.46	0.00	0.00	0.00
123174 KU Storms - August 16, 2007	0,00	0.00	0.00	119,964.67	2,775.06	0.00	0.00	0.00
123175 KU Storms - Oct 18 & 19, 2007	0.00	0.00	0.00	3,026.85	390,762.73	-245,86	0.00	0.00
123324 KU Storms - January 29, 2008	0.00	0.00	0.00	0.00	1,946,556.88	0.00	0.00	0.00
123757 KU Storm - Feb 5 & 6, 2008	0.00	0.00	0,00	0.00	1,458,430.47	-10.42	0.00	0.00
123772 KU Storms - Feb 11, 2008	0.00	0.00	0,00	0.00	151,983.54	1,081.39	0.00	0.00
123773 KU Storms Feb. 21-22, 2008	0.00	0.00	0.00	0.00	139,623.36	0.00	0.00	0.00
123813 KU/ODP Storm - March 4, 2008	0.00	0.00	0.00	0.00	231,286.31	0.00	0,00	0.00
123814 KU Storms - May 11, 2008	0.00	0.00	0.00	0.00	188,858.35	0.00	0.00	0.00
123815 KU Storms - June 3, 2008		0.00	0.00	0.00	279,744.68	0.00	0.00	0.00
124599 KU Storms - June 9 - 10, 2008	0.00	0.00	0.00	0.00	1,016,319.00	0.00	0.00	0.00
124600 KU - WINDSTORM 9/14/08	0.00	0.00	0.00	0.00	0.00	0.00	471.60	0.00
KMS013010 KU Major Storm - 01/30/10	0.00	0.00	0.00	0.00	0.00	0.00	205,902,35	0.00
KMS062110 062110 KU Major Storm	0.00	0.00	0.00	0.00	0.00	0.00	267,304.87	1,063.66
KMS080510 KU Major Storm 08-05-2010	0.00	0.00	0.00	0.00	0.00	0.00	151,715,56	271,477.51
STRM11560 KU Minor Storm Earlington	0.00	0.00	0.00	0.00	0.00	0.00	97,866.51	128,966.99
STRM12160 KU Minor Storms Danville	0.00		0.00	0.00	0.00	0.00	89,396.94	90,459.00
STRM12360 KU Minor Storms Richmond	0.00	0.00	0.00	0.00	0.00	0.00	24,761.83	73,149.18
STRM12460 KU Minor Storms Elizabethtown	0.00	0.00	0.00	0.00	0.00	0.00	146,687.10	134,745.90
STRM12560 KU Minor Storms Shelbyville	0.00	0.00	0.00	0.00	0.00	0.00	349,708.27	649,530.72
STRM13150 KU Minor Storms Lexington	0.00	0.00	0.00	0.00	0.00	0.00	227,419.14	197,886.25
STRM13660 KU Minor Storm Maysville	0.00	0.00	0.00	0.00	0.00	0.00	147,647.33	354,517.70
STRM14160 KU Minor Storms Pineville	0.00	0.00	0.00	0.00	0.00	0.00	57,370.35	176,549.28
STRM14260 KU Minor Storms London	0.00	0,00	0.00	0.00	0.00	0.00	81,781.86	269,048.83
STRM17660 KU Minor Storms Norton	0.00	0.00	0.00	0.00	0.00	51,855.45	0.00	0.00
STRMDANOC Minor Storm Event Danville	0.00	0.00	0,00	0.00	0.00	145,681.23	18.86	0.00
STRMEAROC Minor Storm Event Earlington	0.00	0.00	0.00	0.00	0.00	29,639.57	1,091.91	0.00
STRMELIOC Minor Storm Event Elizbtwn	0.00	0.00	0.00	0.00	0.00	4,567,625.20	776,262.28	-1,010.48
STRMKU KU Major Storm Event	0.00	0.00	0.00	0.00	0.00	68,214.36	402.97	0.00
STRMLEXOC Minor Storm Event Lexington	0.00	0.00	0.00	0.00	0.00	56,464.60	722.11	0.00
STRMLONOC Minor Storm Event London	0.00	0.00	0.00	0.00	0.00	50,499.22	0.00	0.00
STRMMAYOC Minor Storm Event Maysville	0.00	0.00	0.00	0.00	0.00	36,160.82	12.18	0.00
STRMNOROC Minor Storm Event Norton	0.00	0.00	0.00	0.00	0.00	139,365.19	0.00	0.00
STRMPINOC Minor Storm Event Pineville	0.00	0.00	0.00	0.00	0.00	33,611.19	53.35	0.00
STRMRICOC Minor Storm Event Richmond	0.00	0.00	0.00	0.00	0.00	36,433.14	0.00	0.00
STRMSHEOC Minor Storm Event Shelbyville	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
STRM13085 STORM 013085	0.00	0.00	0.00	0.00	0.00	0.00	0.00	287,921.01
KMS040411 KU MAJOR STORM 040411	0.00	0.00	0.00	0.00	0.00	0.00	0.00	49,905.72
KMS042011 KU MAJOR STORM 042011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	712,794.17
KMS042211 KU MAJOR STORM 042211	0 00	0.00	0.00	0.00	0.00	0.00	0.00	54,266.36
KMS052511 KU MAJOR STORM 052511	0.00	0 00	0.00	0 00	0.00	0 00	0.00	10,222.91
KMS062110 062110 KU Major Storm	0,00	0.00	0.00	0.00	0.00	0.00	0.00	534,887.63
KMS081311 KU MAJOR STORM 081311	4,120,482.25	2,539,379.20	4,113,533.55	2,035,290.97	6,951,799.22	5,225,248.47	2,626,597.37	3,998,403.30

Bureau of Labor Statistics

Consumer Price Index - All Urban Consumers Original Data Value

Series Id: CUUR0000SA0

Not Seasonally Adjusted

Area: U.S. city average

 Item:
 All items

 Base Period:
 1982-84=100

 Years:
 2001 to 2011

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
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	195.4	196.4	198.8	199.2	197.6	196.8	195.3	193.2	197.4
2006		198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	201.6	200.6	202.6
2007		202.416	203.499	205.352	206.686	207.949	208.352	208.299	207.917	208.490	208.936	210.177	210.036	207.342	205.709	208.976
2008		211.080	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	215.303	214.429	216.177
2009		211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	214.537	213.139	215.935
2010		216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	218.056	217.535	218.576
2011		220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226,230	225.672	224,939	223,598	226,280

Adjustment for Injuries and Damages FERC Account 925 For the Twelve Months Ended December 31, 2011

1. Injury/Damage provision based upon ten year average	\$	2,119,490
2. Injury/Damage expenses incurred during the 12 months ended December 31, 2011	***************************************	3,080,346
3. Adjustment		(960,856)
4. Kentucky Jurisdiction (Ref. Sch. Allocators)		88.933%
5. Kentucky Jurisdictional adjustment	\$	(854,518)

		CPI-All Urban	Adjusted
Year	Amount	Consumers	Amount
2011	\$ 3,080,346	1.0000	\$ 3,080,346
2010	2,451,761	1.0316	2,529,237
2009	1,840,625	1.0485	1,929,895
2008	1,226,235	1.0448	1,281,170
2007	1,178,212	1.0849	1,278,242
2006	1,690,654	1.1158	1,886,432
2005	2,268,036	1.1518	2,612,324
2004	1,080,732	1.1908	1,286,936
2003	1,776,006	1.2225	2,171,167
2002	2,510,515	1.2504	3,139,148
Total			\$ 21,194,897
Ten Year Average			\$ 2,119,490

KU and LG&E FERC 913, 925, and 930.1 GL Totals GL Start Date: '01-JAN-11', GL End Date: '31-DEC-11'

			Period Net		
	- [Electric	Gas	Sum
Company	FERC				
	913		25,095.44	8,365.15	33,460.59
0100	925		2,523,087.51	750,641.78	3,273,729.29
	930.1		487,584.38	195,409.76	682,994.14
LG&E	Sum		3,035,767.33	954,416.69	3,990,184.02
	913		33,460.59	NULL	33,460.59
0110	925		3,080,346.27	NULL	3,080,346.27
	930.1	Г	795,813.82	NULL	795,813.82
KU	Sum		3,909,620.68		3,909,620.68

KENTUCKY UTILITIES COMPANY

Period:<All> Company:0110

		Net Amount						
		C. Payables	D. Labor	E1. Burden Charges	G. Accounting Entries	H. Mass Allocation s	Other	Account Totals
Account	Account Description							
925001	PUBLIC LIABILITY	212,518.19			1,824,384.09			2,036,902.28
925002	WORKERS COMP EXPENSE - BURDENS			462,637.95	199,135.85	-29,745.06		632,028.74
925003	AUTO LIABILITY	53,511.97			-31,258.00			22,253.97
925004	SAFETY AND INDUSTRIAL HEALTH	6,637.86	55,226.02	15,145.47	81.20		6,276.23	83,366.78
925100	OTHER INJURIES AND DAMAGES	243,057.93			48,000.00			291,057.93
925902	WORKERS COMP EXPENSE - BURDENS INDIRECT					12,452.92		12,452.92
925904	SAFETY & INDUSTRIAL HEALTH - INDIRECT	2,283.65						2,283.65

TOTALS

518,009.60 55,226.02 477,783.42 2,040,343.14 -17,292.14 6,276.23 3,080,346.27

Bureau of Labor Statistics

Consumer Price Index - All Urban Consumers Original Data Value

Series ld:

CUUR0000SA0

Not Seasonally Adjusted

Area:

U.S. city average

Item: Base Period: All items

1982-84=100

Years:

2001 to 2011

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
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	195.4	196.4	198.8	199.2	197.6	196.8	195.3	193.2	197.4
2006		198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	201.6	200.6	202.6
2007		202.416	203,499				208.352							207.342		
2008		211.080	211.693	213.528			218.815					212.425	210.228	215.303	214.429	216.177
2009		211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177				213.139	
2010		216.687	216.741				217.965			218.439			219.179		217.000	
2011		220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	224.939	223.598	226.280

Adjustment to Eliminate Advertising Expenses Pursuant to Commission Rule 807 KAR 5:016 For the Twelve Months Ended December 31, 2011

1. Uniform System of Accounts -	
Account No. 930.1 General Advertising Expenses	\$ 795,814
2. Account No. 913 Advertising Expenses	 33,461
3. Total	829,275
4. Kentucky Jurisdiction (Ref. Sch. Allocators)	 94.909%
5. Kentucky Jurisdictional amount	\$ 787,057
6. Kentucky Jurisdictional adjustment	\$ (787,057)

Company: Kentucky Utilities Company

		80 a P(3)	Period Net				
		Prod	Electric				Totals
		Qtr	語の対象が変化を経	2	3	4	
Num	Account	,	Millian Millianni (18 1818	a lan makananya a			
	909004	2.5			2,250.00		2,250.0
	909010		37,541.98	29,384.25	47,548.64		133,792.0
영화 :]	909011		464.00	430.80	817.36	133.84	
	909013	 	1,280.00	4,250.01	7,390.00	4,223.42	17,143.4
			10,000.00	2,552.50	-9,913.64	5,406.25	
	910001:		35,574.71	97,237.28	76,418.68		299,992.0
1	910900				8,671.30	4,356.67	33,460.5
	913012		10,270.40	10,162.22	587,398.13	384,155.57	2,690,617.8
	₹920100 .		876,072.06	842,992.04			
	920900		5,088,239.91	4,662,665.72	4,746,066.44	4,416,825.63	
1 14 7 1504	921002		71,377.98	149,620.43	96,951.55	158,665.60	
	921003		653,112.45	377,457.24	466,494.27		1,995,693.8
	921004		147,045.35	163,786.28	236,424.32	367,288.73	914,544.6
	921902		265,204.24	180,283.23	150,164.54	191,301.14	
	921903	<u> </u>	780,460.81	812,112.88	798,440.22		3,182,308.1
	922001		-357,893.39	-331,010.93	-479,530.96		-1,600,353.8
	9220025		-112,574.76	-93,737.43	-149,929.17		-520,712.3
	922003	. :	-108,600.37	-116,342.79	-130,749.95		-489,706.8
	923100	·	895,840.75	903,807.32	1,421,618.08	779,715.56	4,000,981.7
	923101		124,531.41	139,118.00	57,158.00	139,614.00	460,421.4
	923301	3:****	3,093.86	3,093.86	3,093.86	3,093.86	12,375.4
	923302	2.5	2,100.00	2,100.00	2,100.00	2,100.00	8,400.0
	923900	<u> </u>	563,990.36	867,269.60	1,199,468.52	1,505,185.12	4,135,913.6
路震	924100	F1-1, 77	781,058.77	1,267,483.51	996,664.19	1,160,712.16	
	925001	(A)	326,946.13	747,741.24	470,095.12	492,119.79	at territor of bearings
		969 :- 2	92,376.92	410,416.30	68,550.34	60,685.18	632,028.7
	925002		20,471.27	3,439.07	19,056.79	-20,713.16	22,253.9
	925003	17: 17		18,833.06	22,304.08	20,498.43	
	925004		21,731.21 124,732.93	35,100.00		131,225.00	291,057.9
	925100					4,039.08	12,452.
	925902	1 2	3,417.82	2,473.96		252.50	2,283.0
	925904	22.5	56.25	1,002.50		9,748.49	
	926001		32,071.85	38,113.37			
	926002	10,13	48,810.22	59,701.01		65,543.21	236,843.
ida da Wasi Karanta	926003		2,105,222.42			1,830,940.26	7,279,771.
	926004		106,160.80	104,820.50		56,629.61	378,252.
	926005		106,888.51	59,537.39		39,883.39	
	926019	141.5	275,095.48				
	926101	5"55". 5	3,992,548.23				
	926102		629,845.02	614,881.08		657,996.08	
	926105	7.3-5	42,547.08	40,123.55	88,224.40		842,911.
	926106			1,207,843.31	1,026,236.83		4,160,103.
	926110			8,262.80	12,452.31		58,583.
	926116		58,412.31			135,844.42	316,327.
	926117	_	175,259.83				0.
	926118		147,057.59				· 4 0.
	926901		33,216.75			38,863.21	
	926902		45,103.40				
	926903		677,222.10				2,677,228.
	926904						

Total

33,460.59

Income Statement Accounts Period Name: 'JAN-2011, FEB-2011, MAR-2011, APR-2011, MAY-2011, JUN-2011, JUL-2011, AUG-2011, SEP-2011, OCT-2011, NOV-2011, DEC-2011', Company: '0100, 0110' Excludes Org 999001

Company: Kentucky Utilities Company

14 m 14 m	ide ikunglig	1,2,40	Period Net					
		Prod	Electric				Totals	
	- <u> </u>	Qtr		2	200 3	* A 4		Total
ne Num	Account		*			HE AT FIRE A TOTAL		
\$ 17 E 52	926911	,	927,945.64	1,433,652.82	1,546,044.21	1,543,434.30		
	926912	- · ·	303,639.16	282,331.66	291,015.30		996,993.94	
	926915		34,239.40		38,003.29		133,654.34	
	926916		117,854.62	120,195.11	125,646.17	125,389.40	489,085.30	
	926917		26,122.20				26,122,20	
	926918		22,826.40				22,826.40	
	926919		28,380.38	81,003.18	29,462.63		26,373.46	
	926990		40,464.86	33,275.89	34,277.63			
	927002		850.84	899.78	904.97	940.72	3,596.31	
	928001			4,185.88	5,217.98		12,877.36	
	928002		77,282.44	198,852.94	92,513.00			
	928003		283,020.39	283,020.39	283,020.39	283,020.39		
13.70	928006		-25.00				-25.00	
	928007		44,595.12	135,600.89	58,323.88			
	929002		-850.84	-899.78	-904.97	-940.72	-3,596.31	
754,000	930101		187,634.29	270,598.42	146,413.12	161,142.67	765,788.50	795,813.82
42.030	9301915		5,110.00		2,555.00			
	Sum		21,976,609.98	22,255,176.53	21,185,002.71	20,894,804.85	86,311,594.07	
et Incor	ne 🚟 🗀		21,976,609.98	22,255,176.53	21,185,002.71	20,894,804.85	86,311,594.07	

Supplemental Exhibit 1 Reference Schedule 1.15

KENTUCKY UTILITIES

Adjustment to Remove Out-of-Period Items For the Twelve Months Ended December 31, 2011

	R	evenue	Expense		
1. Out of Period adjustment	\$	6,404	\$	20,764	
2. Kentucky Jurisdiction (Ref. Sch. Allocators)		94.580%	-	87.580%	
3. Kentucky Jurisdictional adjustment	\$	6,057	\$	18,185	

Kentucky Utilities Company Out-of-Period Adjustments

(1) GL	(2)	(3)	(4)	(5)	(5)	(6)	(7)
Period Entered	Account	Out of Period Month	Out of Period Amt.	Revenue	Expense	Journal Entry	Description
Sep-11	573100	Oct-10	682.78		682.78	J423-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	593002	Mar-10	5,154.36		5,154.36	J426-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	593002	Aug-10	1,017.00		1,017.00	J426-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Apr-10	4,947.98		4,947.98	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	May-10	5,266.51		5,266.51	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Jun-10	3,264.60		3,264.60	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Jul-10	(8,531.11)		(8,531.11)	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Sep-10	(4,947.98)		(4,947.98)	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Oct-10	346.36		346.36	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Dec-10	187.75		187.75	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Apr-10	5,052.02		5,052.02	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	May-10	5,377.24		5,377.24	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Jun-10	3,333.24		3,333.24	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Jul-10	(8,710.48)		(8,710.48)	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Sep-10	(5,052.02)		(5,052.02)	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Oct-10	353.64		353.64	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Sep-11	921903	Dec-10	191.70		191.70	J424-0110-0911	No capital additions/material - tsf chgs to O&M
Nov-11	571100	Nov-10	7,881.92		7,881.92	J425-0110-1111	No capital additions/material - tsf chgs to O&M
Nov-11	571100	Dec-10	(7,929.20)		(7,929.20)	J425-0110-1111	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	260.96		260.96	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	9,328.65		9,328.65	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	379.27		379.27	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	2,366.68		2,366.68	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	325.41		325.41	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	106.32		106.32	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	686.13		686.13	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	602.81		602.81	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	200.88		200.88	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	130.78		130.78	J428-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	2,137.62		2,137.62	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	1,055.32		1,055.32	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	1,243.77		1,243.77	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Apr-10	541.81		541.81	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593001	Apr-10	1,481.44		1,481.44	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593001	Apr-10	1,177.24		1,177.24	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593001	Apr-10	2,480.13		2,480.13	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593001	Apr-10	164.86		164.86	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	988.89		988.89	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	182.25		182.25	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	1,460.06		1,460.06	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	4,681.79		4,681.79	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	878.98		878.98	J431-0110-1211	No capital additions/material - tsf chgs to O&M

(1)	(2)	(3)	(4)	(5)	(5)	(6)	(7)
GL						•	-6
Period Entered	Account	Out of Period Month	Out of Period Amt.	Revenue	Expense	Journal Entry	Description
Dec-11	593002	Oct-10	1,132.40		1,132.40	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	181.85		181.85	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	May-10	196.16		196.16	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jun-10	689.83		689.83	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jun-10	475.32		475.32	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jul-10	509.78		509.78	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	52.60		52.60	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Dec-10	2,616.88		2,616.88	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	1,308.23		1,308.23	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Nov-10	(130.13)		(130.13)	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	455.38		455.38	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Nov-10	1.27		1.27	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	1,168.19		1,168.19	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Sep-10	2,742.36		2,742.36	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	255.67		255.67	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jul-10	205.62		205.62	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jul-10	311.31		311.31	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jun-10	1,632.43		1,632.43	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jun-10	482.65		482.65	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Oct-10	106.74		106.74	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Nov-10	4,394.77		4,394.77	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Aug-10	3,608.02		3,608.02	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	593002	Jul-10	2,385.34		2,385.34	J431-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	571100	Feb-10	28,515.88		28,515.88	J430-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	571100	Aug-10	933.33		933.33	J430-0110-1211	No capital additions/material - tsf chgs to O&M
Dec-11	571100	Oct-10	(667.65)		(667.65)	J430-0110-1211	No capital additions/material - tsf chgs to O&M
Sep-11	923900	Dec-10	(4,361.50)		(4,361.50)	J241-0110-0911	LS Power Acquisition Reclass from Exp to Other Def Debits
Sep-11	923900	Dec-10	(5,120.03)		(5,120.03)	J241-0110-0911	LS Power Acquisition Reclass from Exp to Other Def Debits
Oct-11	456109	Dec-08 - Mar-09, Aug-09	(340.54)	(340.54)	• • • • • • • • • • • • • • • • • • • •	J241-0110-1011	Correct Dynegy Transmission Payable
Oct-11	456109	Dec-08 - Mar-09, Aug-09	(71.17)	(71.17)		J241-0110-1011	Correct Dynegy Transmission Payable
Oct-11	456109	Dec-08 - Mar-09, Aug-09	(5,992.10)	(5,992.10)		J241-0110-1011	Correct Dynegy Transmission Payable
Mar-11	501001	Dec-10	(105,594.57)		(105,594.57)	FWX Interface	Correction of Fuels A/P accrual due to incorrect pricing. (waived adj)
TOTAL				(6,403.81)	(20,763.51)		
ADJUST	MENT			6,403.81	20,763.51		

Calculation of Composite Federal and Kentucky Income Tax Rate (Based on Law in Effect January 1, 2012)

1. Assume pre-tax income of		\$ 100.0000				
2. State income tax at 6.00%	-	5.7560				
Taxable income for Federal income tax before production deduction Production Rate Allocation to Production Income Allocated Production Rate	9% 0.6779 6.10%	94.2440				
4. Less: Production tax deduction (6.10% of Line 3)	0.1070	5.7489				
5. Taxable income for Federal income tax (Line 3 - Line 4)	88.4952					
6. Federal income tax at 35% (Line 5 x 35%)						
7. Total State and Federal income taxes (Line 2 + Line 6)						
8. Therefore, the composite rate is: 9. Federal 30.9733% 10. State 5.7560% 11. Total 36.7293%						
State Income Tax Calculation		£ 100 0000				
1. Assume pre-tax income of		\$ 100.0000				
2. Less: Production tax deduction (6% x 0.6779) (1)		4.0674				
3. Taxable income for State income tax	95.9326					
4. State Tax Rate						
5. State Income Tax						

Notes: (1) Pursuant to KRS 141.010(11)(c) and (13)(c), for taxable years beginning on or after January 1, 2010, the amount of domestic production activities deduction calculated at six percent (6%) as allowed in Section 199(a)(2) of the Internal Revenue Code for taxable years beginning before 2010.

Calculation of Current Tax Adjustment Resulting From "Interest Synchronization"

1. Adjusted Jurisdictional Capitalization - Exhibit 2	\$	2,368,695,515
2. Weighted Cost of Debt - Exhibit 2	***************************************	1.71%
3. "Interest Synchronization"	\$	40,504,693
4. Kentucky Jurisdictional Interest per books (excluding other interest)	-	41,419,955
5. "Interest Synchronization" adjustment (Line 4 - 3)	\$	915,262
6. Composite Federal and State tax rate	***************************************	36.7293%
7. Current tax adjustment from "Interest Synchronization"	\$	336,169

SUPPORT FOR PER BOOKS INTEREST CALCULATION

Total Interest per books (a)	70,333,584
Less: Customer Deposits Interest	1,363,673
Less: Other Tax Deficiences Interest	18,359
Less: Interest on DSM Recovery	11,695
Less: AFUDC Borrowed Funds	(12,955)
Total Interest per books excluding other interest	68,952,813
Kentucky Jurisdiction Percent (b)	60.070%
Kentucky Jurisdictional Interest	41,419,955

⁽a) Financial Report page 12

⁽b) Supporting Schedule-Exhibit 3, Page 1, Col 4, Line 20

Kentucky Utilities Company Analysis of Interest Charges December 31, 2011

	Current	Month	Year to	Date	Year Ended Current Month		
	This Year	Last Year	This Year	Last Year	This Year	Last Year	
Interest on Long-Term Debt							
Loan Agreement - Pollution Control Bonds							
Mercer County 2000 Series A due 05/01/23 Var%	\$ 1,297.07	\$ 3,735.70	\$ 24,276.33	\$ 42,209.43	\$ 24,276.33	\$ 42,209.43	
Carroll County 2002 Series A due 02/01/32 Var%	9,776.89	13,274.79	173,627.27	148,431.00	173,627.27	148,431.00	
Carroll County 2002 Series B due 02/01/32 Var%	1,121.10	1,522.19	19,490.49	17,020.27	19,490.49	17,020.27	
Carroll County 2002 Series C due 10/01/32 Var%	8,000.00	42,160.00	254,410.76	687,799.96	254,410.76	687,799.96	
Mercer County 2002 Series A due 02/01/32 Var%	3,456.71	4,693.42	58,916.16	52,479.19	58,916.16	52,479.19	
Muhlenburg County 2002 Series A due 02/01/32 Var%	1,121.10	1,522.19	19,107.98	17,020.27	19,107.98	17,020.27	
Carroll County 2004 Series A due 10/01/34 Var%	5,616.44	13,150.68	103,260.21	150,301.37	103,260.21	150,301.37	
Carroll County 2006 Series B due 10/01/34 Var%	5,991.78	14,439.45	112,837.80	166,467.95	112,837.80	166,467.95	
Carroll County 2007 Series A due 02/01/26 5.75%	85,651.04	85,651.05	1,027,812.50	1,027,812.50	1,027,812.50	1,027,812.50	
Trimble County 2007 Series A due 03/01/37 6.00%	44,635.00	44,635.00	535,620.00	535,620.00	535,620.00	535,620.00	
Carroll County 2008 Series A due 02/01/32 Var%	8,627.60	20,287.68	161,190.94	240,227.48	161,190.94	240,227.48	
Loan Agreement - First Mortgage Bonds							
First Mortgage Bond due 11/01/15 1.625%	338,541.66	338,541.67	4,062,499.99	507,812.51	4,062,499.99	507,812.51	
First Mortgage Bond due 11/01/20 3.250%	1,354,166.66	1,354,166.67	16,249,999.99	2,031,250.01	16,249,999.99	2,031,250.01	
First Mortgage Bond due 11/01/40 5.125%	3,203,125.00	3,203,125.00	38,437,500.00	4,804,687.50	38,437,500.00	4,804,687.50	
Fidelia/PPL	-	-		64,015,302.78	-	64,015,302.78	
Total	5,071,128.05	5,140,905.49	61,240,550.42	74,444,442.22	61,240,550.42	74,444,442.22	
10001	3,071,120105	2,110,202.12	•				
Amortization of Debt Expense - Net							
Amortization of Debt/Discount Expense	255,443.25	238,663.61	3,123,233.71	584,124.41	3,123,233.71	584,124.41	
Amortization of Loss on Reacquired Debt	50,414.39	50,414.39	604,972.68	604,817.50	604,972.68	604,817.50	
Total	305,857.64	289,078.00	3,728,206.39	1,188,941.91	3,728,206.39	1,188,941.91	
Other Interest Charges			· ·				
Customers' Deposits	113,597.83	107,358.30	1,363,672.66	1,363,569.87	1,363,672.66	1,363,569.87	
Other Tax Deficiencies	, <u>-</u>	4,496.00	18,358.75	87,641.07	18,358.75	87,641.07	
Interest on DSM Cost Recovery	1,175.70	1,254.61	11,695.03	18,380.69	11,695.03	18,380.69	
Interest on Debt to Associated Companies	-	1,160.64	6,321.35	127,043.41	6,321.35	127,043.41	
AFUDC Borrowed Funds	(575.60)	(82,702.68)	(12,955.08)	(968,596.93)	(12,955.08)	(968,596.93)	
Other Interest Expense	260,844.22	483,825.81	3,977,734.69	2,362,787.93	3,977,734.69	2,362,787.93	
Total	375,042.15	515,392.68	5,364,827.40	2,990,826.04	5,364,827.40	2,990,826.04	
Total Interest	\$ 5,752,027.84	\$ 5,945,376.17	\$ 70,333,584.21	\$ 78,624,210.17	\$ 70,333,584.21	\$ 78,624,210.17	

Adjustment for Prior Period Income Tax True-Ups and Adjustments For the Twelve Months Ended December 31, 2011

1. Prior Year Income Tax True-up:	
2. Federal Tax expense (benefit)	\$ 979,690
3. State Tax expense (benefit)	(626,260)
4. Total Income Tax True-up	\$ 353,430
5. Other Tax adjustments:	
6. Kentucky Coal Credit	(1,468,105)
7. Total Other Tax adjustments:	\$ (1,468,105)
8. Federal benefit for State Tax adjustments	733,028
9. Total adjustments (Line 4 + Line 7 + Line 8)	\$ (381,647)
10. Kentucky Jurisdiction (Ref. Sch. Allocators)	91.135%
11. Kentucky Jurisdiction amount (Line 9 x Line 10)	\$ (347,815)
12. Kentucky Jurisdiction adjustment	\$ 347,815

	40045 40045
	12ME 12ME 12/31/2011 12/31/2011
Development of Income Taxes	FEDERAL STATE
Operating Income Before Tax	
Operating Income (including change in accounting)	242,590,188 242,590,18
Add Back: Income Taxes	109,076,966 109,076,96
SUBTOTAL	351,667,154 351,667,15
Interest expense including AFUDC Debt	(70,333,584) (70,333,584
Customer deposits	1,363,673 1,363,673
Other interest expense taxed below the line	30,054 30,054
State income tax	(14,429,640)
Sec. 199 Manufacturing Deduction	(446,629) (4,635,413
Meals	137,097 137,09
AFUDC Equity Depreciation	1,000,000 1,000,000
OPERATING TAXABLE INCOME	268,988,125 279,228,98
-	94,145,844 16,753,739
Adjustments:	
Tax return prior year true-up Tax Adjustments	570,486 ① (809,201 -
203(E) Excess deferred taxes prior year true-up	409,204 () 182,941
203(E) Excess deferred taxes	(1,118,077) (386,652
TC2 depreciation basis adjustment Reserve Release/Additions	915,357 156,918
R&E Credits	(275,485)
Coal Credit	(1,468,105
Total Operating Income Tax	94,647,329 14,429,640
	94,647,327 14,429,639
Difference	2 1
Difference	① · 97
	@ =<62

Calculation of Revenue Gross Up Factor (Based on Law in Effect January 1, 2012)

	STATE]	FEDERAL	
1. Assume pre-tax income of	\$	100.000000	\$	100.000000	
2. Bad Debt at .4600%		0.460000		0.460000	
3. PSC Assessment at .1529%		0.152900		0.152900	
4. Production Tax Credit-State (Reference Schedule 1.18)		4.067400			
5. Taxable income for State income tax		95.319700		99.387100	
6. State income tax at 6.00%		5.719182		5.719182	
7. Production Tax Credit-Federal (Reference Schedule 1.18)				5.748887	
8. Taxable income for Federal income tax				87.919031	
9. Federal income tax at 35%				30.771661	
10. Total Bad Debt, PSC Assessment, State and Federal income taxes (Line 2 + Line 3 + Line 6 + Line 9)				37.103743	
11. Assume pre-tax income of			\$	100.000000	
12. Gross Up Revenue Factor				62.896257	

Kentucky Jurisdictional Allocators <u>At December 31, 2011</u>

Reference

	11010101100		
Title	Schedule	Factor	Allocation Based On
ECR Operating Expense	1.03	86 677%	Composite rate developed from steam depreciation allocator (86.669%), steam plant O&M allocator (85.981%), energy allocator (86.773%) and net plant allocator for property tax (87.284%)
Brokered and Off-System Energy	1.04, 1.05	86.773%	Ratio of Kentucky retail kilowatt-hour sales to Total Company kilowatt-hour sales
Depreciation	1.09	87.347%	Composite rate developed by dividing Kentucky retail depreciation by Total Company depreciation
Labor	1.10	88.933%	Direct labor
Pension and Post Retirement and Benefits	1.11	88.933%	Direct labor
Distribution O&M (Storm Damages)	1.12	94.089%	Distribution plant
Injuries/Damages	1.13	88.933%	Direct labor
Advertising Expense	1.14	94.909%	Retail energy
Miscellaneous Revenue-Account 456	1.15	94.580%	Demand Non-Ferc
Total O&M	1.15	87.580%	Total O&M
Income Taxes	1.20	91.135%	Income tax expense

Capitalization at December 31, 2011

		Per Books 12-31-11 (1)	Capital Structure (2)	Undistributed Subsidiary Earnings (3)	Investment in EEI (Col 2 x Col 4 Line 4) (4)	Investments in OVEC and Other (Col 2 x Col 5 Line 4) (5)	Adjustments to Total Co. Capitalization (Sum of Col 3 - Col 5) (6)	Adjusted Total Company Capitalization (Cel 1 - Cel 6) (7)	Jurisdictional Rate Base Percentage (Exhibit 3 Line 19) (8)	Kentucky Jurisdictional Capitalization (Cal 7 x Cal 1) (9)
1.	Short Term Debt	s -	0,00%	s -	\$ -	s -	s -	s -	87.43%	s -
2	Long Term Debt	1,840,591,561	46.38%	-,	(600,992)	(199,026)	(810,008)	1,839,791,543	87.43%	1,608,529,746
3.	Common Equity	2,128,238,257	53.62%	(7,535,369)	(694,808)	(230,095)	(8,460,272)	2,119,777,985	87.43%	1,853,321,893
4.	Total Capitalization	\$ 3,968,829,818	100.00%	\$ (7,535,369)	\$ (1,295,800)	\$ (429,121)	\$ (9,260,290)	\$ 3,959,569,528		\$ 3,461,851,639
		Kentucky Junsdictional Capitalization (9)	Capital Structure (10)	Environmental Compliance Plans (a) (Col 10 x Col 11 Line 4) (11)	Adjusted Kentucky Jurisdictional Capitalization (Cal 9 - Cal 11) (12)	Adjusted Capital Structure (13)	Annual Cost Rate (14)	Cost of Capital (Col 14 x Col 13) (15)		
1.	Short Term Debt	\$ -	0.00%	s -	s -	0 00%	0.45%	(b) 0.00%		
2	Long Term Debt	1,608,529,746	46 46%	(507,924,061)	1,100,605,685	46.46%	3 68%	(b) 1.71%		
3.	Common Equity	1,853,321,893	53.54%	(585,232,063)	1,268,089,830	53.54%	10 75%	(c) 5.76%		
4.	Total Capitalization	\$ 3,461,851,639	100.00%	\$ (1,093,156,124)	\$ 2,368,695,515	100.00%		7 47%	•	

⁽a) Supporting Schedule-Exhibit 3, Page 1, Line 19, Column 3

\$ 1,093,156,124

⁽b) Embedded cost as of December 31, 2011

⁽c) Threshold Rate of Return on Common Equity (Section 2 3)

Kentucky Utilities Company Comparative Balance Sheets as of December 31, 2011 and 2010

Assets	This Year	Last Year	Liabilities and Proprietary Capital	This Year	Last Year
Utility Plant			Proprietary Capital		
Utility Plant at Original Cost	\$ 6,783,199,672.46	\$ 6,496,781,295,39			
Less: Reserves for Depreciation and Amortization	2,395,037,772.83	2,261,926,782,36	Common Stock	\$ 308,139,977.56	\$ 308,139,977.56
	<u></u>	2,201,920,782.30	Less: Common Stock Expense	321,288.87	321,288.87
Total	4,388,161,899.63	4 224 954 512 02	Paid-In Capital	315,858,083.00	315,858,083.00
10000	4,300,101,039.03	4,234,854,513.03	Other Comprehensive Income	(2,457,900.37)	(1,993,677.24)
			Retained Earnings	1,490,663,791.10	1,439,351,593.82
Investments			Unappropriated Undistributed Subsidiary Earnings	16,355,594.75	14,432,395.75
	10 (00 (11 #=				
Electric Energy, Inc.	13,628,644.55	12,465,221.55	Total Proprietary Capital	2,128,238,257.17	2,075,467,084.02
Ohio Valley Electric Company	250,000.00	250,000.00			
Nonutility Property-Less Reserve	179,120.94	179,120.94	Pollution Control Bonds	350,779,405.00	350,779,405.00
			First Mortgage Bonds	1,489,812,156.25	1,489,176,906.25
Total	14,057,765.49	12,894,342.49	LT Notes Payable to Associated Companies	- · · · · -	-
			Total Long-Term Debt	1,840,591,561.25	1,839,956,311.25
Current and Accrued Assets					
Cash	31,096,140.42	3,132,599.79	Total Capitalization	3,968,829,818.42	3,915,423,395.27
Special Deposits	45,500.00	418,600,30	•		3,710,123,373.27
Temporary Cash Investments	43,674.49	200,847,07	Current and Accrued Liabilities		
Accounts Receivable-Less Reserve	164,311,372.23	198,513,561.39	ST Notes Payable to Associated Companies	_	10,434,000.00
Accounts Receivable from Associated Companies	39,615.59	11,996,433.15	Accounts Payable	119,658,898,66	76,307,786,67
Materials and Supplies-At Average Cost		•	Accounts Payable to Associated Companies	33,178,775.21	45,351,361.74
Fuel	96,745,428.76	94,898,528,15	Customer Deposits	22,862,411.92	22,839,133,25
Plant Materials and Operating Supplies	34,036,932.19	32,560,243,26	Taxes Accrued	10,729,937.99	24,614,782.98
Stores Expense	9,914,010.27	8,854,899.43	Interest Accrued	10,619,839.16	8,149,642.02
Emission Allowances.	450,462.32	566,579.00	Dividends Declared	-	-
Prepayments	7,285,320.31	8,173,724.00	Miscellaneous Current and Accrued Liabilities	19,177,240.61	19,512,357.41
Miscellaneous Current and Accrued Assets		20,501.20		, , , , , , , , , , , , , , , , , , , ,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
			Total	216,227,103,55	207,209,064.07
Total	343,968,456.58	359,336,516.74			
			Deferred Credits and Other		
Deferred Debits and Other			Accumulated Deferred Income Taxes	559,462,412.30	396,607,180.67
Unamortized Debt Expense	21,600,912.97	21,213,642.72	Investment Tax Credit	101,407,768.32	104,094,169.32
Unamortized Loss on Bonds	11,775,117.37	12,380,090.05	Regulatory Liabilities	108,313,656.21	55,112,630.40
Accumulated Deferred Income Taxes	86,746,693.05	34,511,064.10	Customer Advances for Construction	3,155,939.30	2,869,273.92
Deferred Regulatory Assets	268,828,295.77	208,403,355.44	Asset Retirement Obligations	61,789,582.18	53,981,306.41
Other Deferred Debits	45,192,019.67	42,753,151.34	Other Deferred Credits	6,945,601.15	8,491,442.40
m . 1			Miscellaneous Long-Term Liabilities	2,695,347.71	2,423,615.65
Total	434,143,038.83	319,261,303.65	Accum Provision for Postretirement Benefits	151,503,931.39	180,134,597.80
Water America	0 #400 004 444 ==		Total	995,274,238.56	803,714,216.57
Total Assets	\$ 5,180,331,160.53	\$ 4,926,346,675.91			
			Total Liabilities and Stockholders Equity	\$ 5,180,331,160.53	\$ 4,926,346,675.91

Kentucky U. ...es Company Analysis of Retained Earnings December 31, 2011

	Current Month Total Lindingsibuted					Year to I	Date		Year Ended Cu	Current Month		
DadiodEc. 'co. III the to ID.	Re	Total tained		Undistributed Subsidiary		Total Retained	1	Undistributed Subsidiary	Total Retained		Indistributed Subsidiary	
Retained Earnings and Undistributed Earnings	Ea	rnings		Earnings		Earnings		Earnings	 Earnings		Earnings	
Balance at Beginning of PeriodAdd:	\$ 1,47	5,266,420.61	\$	16,092,121.75	\$	1,439,351,593.82	\$	14,432,395.75	\$ 1,439,351,593.82	\$	14,432,395.75	
Net Income for Period Deduct:	1	5,660,843.49		-		176,735,396.28		-	176,735,396.28		-	
Common Dividends Common Stock Without Par Value						(122 500 000 00)			(100 500 000 00)			
EE Inc	•	(263,473.00)		263,473.00	an.	(123,500,000.00) (1,923,199.00)		1,923,199.00	(123,500,000.00) (1,923,199.00)		1,923,199.00	
Balance at End of Period	\$ 1,49	90,663,791.10	\$	16,355,594.75	1	1,490,663,791.10	\$	16,355,594.75	\$ 1,490,663,791.10	\$	16,355,594.75	
Deferred Taxes Related to Undistributed Subsidiary Earnings				-				-			-	
Balance of Undistributed Subsidiary Earnings				16,355,594.75				16,355,594.75			16,355,594.75	
Statutory Tax Rate				38.9%				38.9%			38.9%	
Deferred Taxes on Equity in Subsidiary			\$	6,362,326.36	B		\$	6,362,326.36		\$	6,362,326.36	

January 26, 2012

Kentucky Utilities Company Rollforward of Investment in EEI

(a)			(b)		(c)		(d)		(e)		(f)		(g)	(h)	(i)
			pital Stock Ownership (Initial		Beginning Balance Equity in								Ending Balance Equity in	-	Ending Balance Total
Year		Ir	vestment)		Earnings	_	Earnings		Dividends	Ne	et Activity		Earnings	Income	Investment
		(Fo	rm 1 p 224)	(F	orm 1 p (4)	(Fe	orm 1 p 5)	(Fo	orm 1 p 5)	+(d)-(e)	(c)+(f)		+(g)+(b)+(h)
	1996	\$	1,295,800	\$	848,998	\$	2,436,136	\$	2,460,420	\$	(24,284)	\$	824,714		\$ 2,120,514
	1997		1,295,800		824,714		2,480,168		2,443,622		36,546		861,260		2,157,060
	1998		1,295,800		861,260		2,167,436		2,168,058		(622)		860,638		2,156,438
	1999		1,295,800		860,638		2,333,723		2,366,775		(33,052)		827,586		2,123,386
	2000		1,295,800		827,586		2,242,280		2,312,037		(69,757)		757,829		2,053,629
	2001		1,295,800		757,829		1,802,856		2,060,553		(257,697)		500,132		1,795,932
	2002		1,295,800		500,132		6,967,101		1,585,021		5,382,080		5,882,212		7,178,012
	2003		1,295,800		5,882,212		3,644,247		-		3,644,247		9,526,459		10,822,259
	2004		1,295,800		9,526,459		2,559,212		-		2,559,212		12,085,671		13,381,471
	2005		1,295,800		12,085,671		2,256,843		-		2,256,843		14,342,514		15,638,314
	2006		1,295,800		14,342,514		29,405,773		27,500,000		1,905,773		16,248,287		17,544,087
	2007	,	1,295,800		16,248,287		26,358,781		21,400,000		4,958,781		21,207,068		22,502,868
	2008		1,295,800		21,207,068		29,548,519		30,000,000		(451,481)		20,755,587		22,051,387
	2009		1,295,800		20,755,587		765,782		10,850,000	(10,084,218)		10,671,369		11,967,169
	2010		1,295,800		10,671,369		3,761,027		-	`	3,761,027		14,432,396	(3,262,974)	12,465,222
	2011		1,295,800		14,432,396		1,923,199		-		1,923,199		16,355,595	(4,022,750)	

KENTUCKY UTILITIES COMPANY ANALYSIS OF THE EMBEDDED COST OF CAPITAL AT December 31, 2011

						LONG-TI	RM	DEBT										
										Annualia	zed Cost							
							-	Amortized Debt		Amo	rtized Loss-		Le	tter of Credit	t			Embedded
1	_							Issuance		_								
	Due	Rate		Principal Principal		Interest		Exp/Discount		Reac	quired Debt		an	d other fees	1		Total	Cost
Pollution Control Bonds -	05/04/00	0.4400/		40 000 000		44.400				s	46,743		s	156.549	_	\$	217,482	1.69%
Mercer Co. 2000 Series A	05/01/23	0.110% *	\$	12,900,000	5	14,190	Þ	4 404		ð.	36,300		÷	20,930		ð	176,449	0.84%
Carroll Co. 2002 Series A	02/01/32	0 550% *		20,930,000		115,115		4,104										0.94%
Carroll Co. 2002 Series B	02/01/32	0.550% *		2,400,000		13,200		2,856			4,164			2,400			22,620 29,484	1.23%
Muhlenberg Co. 2002 Series A	02/01/32	0.550% *		2,400,000		13,200		1,140			12,744			2,400				0.87%
Mercer Co. 2002 Series A	02/01/32	0.550% *		7,400,000		40,700		3,180			12,900			7,400			64,180	
Carroll Co. 2002 Series C	10/01/32	0.080%		96,000,000		76,800		73,658			186,036			300,538			637,032	0 66%
Carroll Co. 2004 Series A	10/01/34	0.130%		50,000,000		65,000					105,023			609,493			779,516	1.56%
Carroll Co. 2005 Series B	10/01/34	0.100% *		54,000,000		54,000		47,920			-			658,985	а		760,905	1.41%
Carroll Co. 2007 Series A	02/01/26	5.750%		17,875,000		1,027,813		33,342			-			-			1,061,155	5.94%
Trimble Co. 2007 Series A	03/01/37	6.000%		8,927,000		535,620		16,072			-			-			551,692	6.18%
Carroll Co. 2008 Series A	02/01/32	0.110% *		77,947,405		85,742		34,400			-			951,225	а		1,071,367	1.37%
Called Bonds						-		-			201,063	1					201,063	
First Mortgage Bonds -																		
2010 due 2015	11/01/15	1 625%		250,000,000		4,062,500		461,126						-			4,523,626	1.81%
Debt discount on FMB	11/01/15	1.625%		(678,125)				175,000									175,000	-25 81%
2010 due 2020	11/01/20	3.250%		500,000,000		16,250,000		418,360	**					-			16,668,360	3.33%
Debt discount on FMB	11/01/15	3 250%		(1,677,375)				189,000	**								189,000	-11.27%
2010 due 2040	11/01/40	5.125%		750,000,000		38,437,500		249,641						-			38,687,141	5.16%
Debt discount on FMB	11/01/40	5.125%		(7,832,344)				271,250	••								271,250	-3.46%
Revolving Credit Facility	10/19/16							785,357	38.4	,				500,000			1,285,357	
Letter of Credit Facility	04/29/14							298,913									298,913	
Total External Debt			\$	1,840,591,561	\$	60,791,380	\$	3,065,319	-	\$	604,973		\$	3,209,920	-	\$	67,671,593	3.68%
Notes Payable to PPL			2 S	-			,	_		\$	_	\$-		_		s		
INUICS F BYBDIG IO FFL.							•					•-			_		_	
Total Internal Debt	•		\$		\$		\$			\$			\$		_	\$		0.00%
		Total	_\$_	1,840,591,561	\$	60,791,380	\$	3,065,319		\$	604.973		_\$	3,209,920	_	\$	67,671,593	3.68%

		······			 SHOR	17-1	ERN	DEBT							 		
,					 					Annu	alized	d Cost			 		Embedded
	Rate		Principal		Interest			Expense			L	oss	Е	remium	Total		<u>Cost</u>
Notes Payable to Associated Company Revolving Credit Facility Payable	0.450% *	\$		-	\$	-	\$		-	\$		-	\$	-	\$	-	0.000%
	Total	\$			\$		\$			\$		-	\$		\$ 	-	0.00%
Embedded Cost of Total Debt		5	1,840,591,5	61	\$ 60,791,3	80	\$	3,065,	319	\$		604,973	\$	3,209,920	\$ 67,671,	593	3.68%

^{*} Composite rate at end of current month.
** Debt discount shown on separate line.

¹ Series P and R bonds were redeemed in 2003, and 2005, respectively. They were not replaced with other bond series. The remaining unamortized expense is being amortized over the remainder of the original lives (due 5/15/07, 6/1/25, 6/1/35, and 6/1/36 respectively) of the bonds as loss on reacquired debt.

² Fidelia Notes Payable were paid off on 11/1/2010 with PPL Notes Payable that were paid off with the new FMB issues on 11/16/2010.

³ Included setup fees for the Wachovia Credit Facility in Long-term Debt due to 4 year credit arrangement 4 Credit Facility amended effective October 19, 2011. New term of 5 years at lower interest rate.

a - Letter of credit fee = (principal bal + 45 days interest)*2% L/C Fee and .25% L/C Fronting Fee. Rate based on company credit rating. Remarketing Fee = 10 basis points b - Remarketing fee = 10 basis points c - Remarketing fee = 25 basis points

Net Original Cost Kentucky Jurisdictional Rate Base <u>At December 31, 2011</u>

Title of Account (1)	Kentucky Jurisdictional Rate Base (2)	Other Jurisdictional Rate Base (3)	Total Company Rate Base (4)
1. Utility Plant at Original Cost	\$ 5,911,157,982	\$ 872,041,691	\$ 6,783,199,673
2. Deduct:			
3. Reserve for Depreciation	2,080,817,095	314,220,678	2,395,037,773
4 Net Utility Plant	3,830,340,887	557,821,013	4,388,161,900
5 Deduct:			
6. Customer Advances for Construction	2,998,149	157,790	3,155,939
7. Accumulated Deferred Income Taxes	416,040,136	59,901,626	475,941,762
8. Asset Retirement Obligation-Net Assets	47,120,453	7,247,837	54,368,290
9 Asset Retirement Obligation-Regulatory Liabilities	3,062,534	471,064	3,533,598
10. Investment Tax Credit (a)	87,006,521	14,401,246	101,407,767
11. Total Deductions	556,227,793	82,179,563	638,407,356
12. Add:			
13 Materials and Supplies (b)	115,624,987	17,611,966	133,236,953
14. Prepayments (b)(c)	6,956,836	810,868	7,767,704
15. Emission Allowances (b)	442,484	68,059	510,543
16. Cash Working Capital (page 2)	95,623,543	7,917,443	103,540,986
17. Total Additions	218,647,850	26,408,336	245,056,186
18. Total Net Original Cost Rate Base	\$ 3,492,760,944	\$ 502,049,786	\$ 3,994,810,730
19. Percentage of Rate Base to Total Company Rate Base	87.43%	12.57%	100.00%

⁽a) Reflects investment tax credit treatment per Case No. 2007-00178.

⁽b) Average for 13 months.

⁽c) Excludes PSC fees.

Calculation of Cash Working Capital <u>At December 31, 2011</u>

Title of Account (1)	Kentucky Jurisdiction Rate Base (2)	al Jurisdictional	Total Company Rate Base (4)
1. Operating and maintenance expense for the			
12 months ended December 31, 2011	\$ 859,662	,729 \$ 101,912,920	\$ 961,575,649
2. Deduct:			
3 Electric Power Purchased	94,674	,385 14,440,563	109,114,948
4. Total Deductions	\$ 94,674	,385 \$ 14,440,563	\$ 109,114,948
5. Remainder (Line 1 - Line 4)	\$ 764,988	344 \$ 87,472,357	\$ 852,460,701
6. Cash Working Capital	\$ 95,623	,543 \$ 7,917,443	\$ 103,540,986

Kentucky Jurisdictional (12 1/2% of Line 5)

Other Jurisdictional comprised of FERC, Tennessee, and Virginia Jurisdictional methodologies.

Net Original Cost Kentucky Jurisdictional Rate Base <u>At December 31, 2011</u>

Title of Account (1)	Kentucky Jurisdictional Rate Base (2)	Kentucky Jurisdictional ECR Rate Base (3)	Kentucky Jurisdictional Non-ECR Rate Base (4) (2 - 3)	Other Jurisdictional Rate Base (5)	Total Company Rate Base (6) (3 + 4 + 5)
		(Page 3 Col 2)	(2 - 3) \$ 4,614,743,885	\$ 872,041,691	\$ 6,783,199,673
1. Utility Plant at Original Cost	\$ 5,911,157,982	s 1,296,414,097	3 4,014,745,005	5 0,2,0 1,0 1	
2. Deduct:			1,978,150,889	314,220,678	2,395,037,773
3. Reserve for Depreciation	2,080,817,095	102,666,206	1,978,130,009	314,220,010	
4. Net Utility Plant	3,830,340,887	1,193,747,891	2,636,592,996	557,821,013	4,388,161,900
5 Deduct:			2 008 140	157,790	3,155,939
6 Customer Advances for Construction	2,998,149		2,998,149 335,472,616	59,901,626	475,941,762
7 Accumulated Deferred Income Taxes	416,040,136	80,567,520	47,120,453	7,247,837	54,368,290
8. Asset Retirement Obligation-Net Assets	47,120,453		3,062,534	471,064	3,533,598
9 Asset Retirement Obligation-Regulatory Liabilities	3,062,534	23,299,260	63,707,261	14,401,246	101,407,767
10. Investment Tax Credit (a)	87,006,521	25,255,200			
11. Total Deductions	556,227,793	103,866,780	452,361,013	82,179,563	638,407,356
12 Net Plant Deductions	3,274,113,094	1,089,881,111	2,184,231,983	475,641,450	3,749,754,544
13. Add		•			
	115,624,987	548,669	115,076,318	17,611,966	133,236,953
	6,956,836		6,956,836	810,868	7,767,704
	442,484	330,044	112,440	68,059	510,543
16. Emission Allowances (b) 17 Cash Working Capital (page 2)	95,623,543	2,396,300	93,227,243	7,917,443	103,540,986
18. Total Additions	218,647,850	3,275,013	215,372,837	26,408,336	245,056,186
19. Total Net Original Cost Rate Base	\$ 3,492,760,944	\$ 1,093,156,124	\$ 2,399,604,820	\$ 502,049,786	\$ 3,994,810,730
20 Percentage of Rate Base to Total Company Rate Base	87.43%	27 36%	60.07%	12.57%	100.00%

⁽a) Reflects investment tax credit treatment per Case No. 2007-00178.

⁽b) Average for 13 months

⁽c) Excludes PSC fees.

Calculation of Cash Working Capital <u>At December 31, 2011</u>

Title of Account (1)		Kentucky furisdictional Rate Base (2)	Ju	Kentucky prisdictional CR Rate Base (3)		Kentucky urisdictional ECR Rate Base (4)		Other unsdictional Rate Base (5)		Total Company Rate Base (6) (3 + 4 + 5)
Operating and maintenance expense for the nonths ended December 31, 2011	s	859,662,729	s	19,170,400	s	840,492,329	s	101,912,920	\$	961,575,649
2. Deduct						24 (74 795		14,440,563		109,114,948
Electric Power Purchased		94,674,385		-		94,674,385				
4. Total Deductions	S	94,674,385	S	-	s	94,674,385	\$	14,440,563	S	109,114,948
5 Remainder (Line 1 - Line 4)	\$	764,988,344	\$	19,170,400	S	745,817,944	s	87,472,357	S	852,460,701
6. Cash Working Capital	s	95,623,543	s	2,396,300	s	93,227,243	s	7,917,443	s	103,540,986

Kentucky Jurisdictional (12 1/2% of Line 5)
Other Jurisdictional comprised of FERC, Tennessee, and Virginia Jurisdictional methodologies

Net Original Cost Kentúcky Jurisdictional Rate Base <u>At December 31, 2011</u>

Title of Account (1)	Kentucky Jurisdictional ECR Rate Base (2)	Other Jurisdictional ECR Rate Base (3)	Total Company ECR Rate Base (4)
Utility Plant at Original Cost	\$ 1,296,414,097	\$ 199,408,050	\$ 1,495,822,147
Deduct: Reserve for Depreciation	102,666,206	15,791,612	118,457,818
4. Net Utility Plant	1,193,747,891	183,616,438	1,377,364,329
5. Deduct: 6. Customer Advances for Construction 7. Accumulated Deferred Income Taxes 8. Asset Retirement Obligation-Net Assets 9. Asset Retirement Obligation-Regulatory Liabilities 10. Investment Tax Credit (a) 11. Total Deductions	80,567,520 - - 23,299,260 103,866,780	12,392,500 - - 3,856,371 16,248,871	92,960,020 - - 27,155,631 120,115,651
12. Net Plant Deductions	1,089,881,111	167,367,567	1,257,248,678
 13. Add: 14. Materials and Supplies 15. Prepayments 16. Emission Allowances 17. Cash Working Capital 	548,669 - 330,044 2,396,300	212214	632,122 - 380,810 2,764,664
18. Total Additions	3,275,013	502,583	
19. Total Net Original Cost Rate Base	\$ 1,093,156,124	\$ 167,870,150	\$ 1,261,026,274

⁽a) Reflects investment tax credit treatment per Case No. 2007-00178.

KENTUCKY UTILITIES COMPANY ELECTRIC COST OF SERVICE STUDY JURISDICTIONAL SEPARATION

12 MONTHS ENDING DECEMBER 31, 2011

RATE BASE: END OF YEAR ALLOCATION METHOD: AVG 12 CP (COMBINED CO SYS)

	А		TOTAL ENTUCKY UTILITIES (1)		KENTUCKY STATE JURISDICTION (2)	VIRGINIA STATE JURISDICTION (3)	FERC & TENNESSEE JURISDICTION (4)	TENNESSEE STATE JURISDICTION (5)	FERC JURISDICTION (6)	PRIMARY (7)	TRANSMISSION (8)
SUMMARY OF F	RESULTS AS ALLOCATED								• • •	V-7	(4)
ELEMENTS OF	RATE BASE										
1 PLANT IN SERV	VICE		6,443,488,241		5,614,477,615	376,456,372	452,554,254	183.489	450 070 705	440 700 070	
0 1500 05050					-,,.,.,	010,400,012	452,554,254	103,409	452,370,765	143,796,072	308,574,693
3 NET PLANT	E FOR DEPRECIATION		2,395,037,773		2,080,817,095	147,816,116	166,404,562	111,392	166,293,170	52,935,603	113,357,566
3 NET PLANT	III 9EĶVICE		4,048,450,468		3,533,660,520	228,640,256	286,149,692	72,097	286,077,595	90,860,468	195,217,127
4 CONST WORK	IN PROGRESS		339,711,432		296,680,367	17,499,717	25.531.348	2 524	05 500 710		
5 NET PLANT			4,388,161,900		3,830,340,887	246,139,973	25,531,346 311,681,040	2,631 74,728	25,528,716 311,606,312	8,047,395	17,481,321
400		:	,		1,1111111111111111111111111111111111111	210,100,510	071,00,110	14,120	311,000,312	98,907,863	212,698,448
ADD: 6 MATERIALS:	e connected										
7 FUEL INVEN			42,804,186		37,153,312	2,481,807	3,169,067	1,064	3,168,003	1,003,042	2,164,961
8 PREPAYMEN			90,432,767		78,471,675	4,208,795	7,752,297	377	7,751,920	2,517,133	5,234,787
9 WORKING C			7,767,704		6,956,836	379,925	430,942	187	430,755	137,945	292,810
10 EMISSION AL			103,540,986		95,623,543	-	7,917,443	1,378	7,916,065	2,562,353	5,353,712
11 TOTAL ADDI			510,543 245,056,186		442,484	25,355	42,704	4	42,700	13,339	29,361
			243,030,100		218,647,851	7,095,883	19,312,452	3,009	19,309,443	6,233,812	13,075,630
DEDUCT:											
	OR DEF TAXES		475,941,762		416,040,136	27,398,303	32,503,323	13,161	32,490,162	10 225 250	99.404.994
13 RESERVE FO			101,407,768		87,006,521	5,145,678	9,255,568	762		10,325,360 2,891,115	22,164,801 6,363,691
14 CUSTOMER			3,155,939		2,998,149	157,790			5,234,007	2,091,113	0,303,091
	DEPOSITS-VIRGINIA		22,862,412			514,229	-		_	_	-
	UEL-VIRGINIA		(2,924,152)		-	(2,924,152)		-		-	-
	NDED-VIRGINIA		61,769,169		=	3,359,730	0	-	0	-	
18 TOTAL DED	actions		662,212,898		506,044,807	33,651,578	41,758,891	13,923	41,744,968	13,216,476	28,528,493
19 NET ORIGINAL	COST RATE BASE		3,971,005,187		3,542,943,931	219,584,278	289,234,600	63,815	289,170,786	91,925,200	197,245,586
DEVELOPMENT	T OF RETURN										
20 OPERATING RE	EVENUES		1,547,516,986		1,365,943,770	74,868,452	106,704,764	5.995	106,698,770	34,372,405	72,326,364
OPERATING EX	YDENCEC					. ,,,-	, 4	_,,	,,,,,	51,512,405	12,020,004
	& MAINT EXPENSE		004 575 040								
	ON & AMORT EXP		981,575,649		859,662,729	49,236,473		11,506		23,522,084	49,142,857
23 REGULATOR			189,190,233 (5,855,640)		165,252,726	10,074,584	13,862,923	3,687	, ,,	4,394,303	9,464,933
	ER THAN INC TAX		28,115,767	-	(5,077,896)					(152,483)	
25 INCOME TAX			109,076,966		24,910,482 99,407,607	1,462,299		536	.,,	556,181	1,186,269
26 (GAIN) / LOS	S DISPOSITION ALLOWANCES		(3,293)		(2,854)	4,070,706 (164)	5,620,187 (275)	(4,229)		1,801,295	3,823,121
27 (GAIN) / LOS	S DISPOSITION PROPERTY-VA		(46,988)		(2,004)	(2,745)		(0)	(275)	(86)	(189)
	CONTRIBUTIONS-VA		644,462		-	17,527	· -	-	-	-	•
	N CUSTOMER DEPOSITS-VA		1,363,673		-	1,921	-		-		-
30 ACCRETION			2,827,117		2,452,337	139,599	235,181	21	235,160	73,491	161,669
31 TOTAL OPE	RATING EXPENSES		1,306,887,946		1,146,605,130	64,710,487	93,649,417	11,478		30,194,785	63,443,154
32 RETURN			240,629,040		219,338,639	10,157,965	13,055,347	(5,483)	12 000 020	4 477 000	0.000.010
33 RATE OF RETU	IRN .		6,06%		6.19%					4,177,620 4,54%	8,883,210 4,50%
					5.1070	4,00%	4.5176	-0.5576	4,52%	4.54%	4.50%

Account Balance for KU

Period Name	DEC-2011
!	4

			Balance SUM			
A		Company	0110	Sum		
Account	Account					
101107	PLANT IN SERVICE - ELECTRIC ARO ASSET RETIREMENT COST-EQUIPMENT				-	
01125	PLANT IN SERVICE - ELECTRIC ARO ASSET RETIREMENT COST-LAND/BUILDING		57,517,877.87	57,517,877.87	1 Och P. Bust	
108107	ACCUM. DEPR ELECTRIC ARO ASSET RETIREMENT COST-EQUIPMENT		374,327.29	374,327.29	Rolling	
108125	ACCUM. DEPR ELECTRIC ARO ASSET RETIREMENT COST-EADD/BUILDING		-3,517,277.38	-3,517,277.38	here for	86,669
108799	RWP-ARO LEGAL		-6,637.64	-6,637.64	Rafe Base Juris do	10000
182317	OTHER REGULATORY ASSETS ARO - GENERATION	·	410,549.80	410,549.80	•	WHENSE
182318	OTHER REG ASSETS ARO - TRANSMISSION	3	7,387,106.47	7,387,106.47		
182325	OTHER REGULATORY ASSETS ARO - DISTRIBUTION		8,472.85	8,472.85		
230012	ASSET RETIREMENT OBLIGATIONS - STEAM		25,712.72	25,712.72		
230013			-60,261,506.99	-60,261,506,99		
230015	ASSET RETIREMENT OBLIGATIONS - TRANSMISSION		-545,748.17	-545,748,17		
230022	ASSET RETIREMENT OBLIGATIONS - DISTRIBUTION		-806,034.02	-806,034.02		
	ASSET RETIREMENT OBLIGATIONS - STEAM - ST		-176,293.00	-176,293.00		
254014	REGULATORY LIABILITY ARO - GENERATION		-3,533,597.56		1 Route Base	
254015	REGULATORY LIABILITY ARO - TRANSMISSION		·	-3,533,597.56	ROUTE	
	Sum		0.00	0.00	J	
			-3,123,047.76	-3,123,047.76		

KENTUCKY UTILITIES COMPANY ENVIRONMENTAL SURCHARGE REPORT

Revenue Requirements of Environmental Compliance Costs For the Expense Month of December 2011

Determination of Environmental Compliance Rate Base

	Pre-2011 Environmental Compliance Plans			20	2011 Enviromental Compliance Plan			
Eligible Pollution Control Plant	18	1,316,450,254			\$	-		
Eligible Pollution CWIP Excluding AFUDC	\top	160,117,611				19,254,282		
Subtotal			\$	1,476,567,865			\$	19,254,282
Additions:								
Inventory - Limestone	\$	708,595						
Less: Limestone Inventory in base rates		76,473						
Inventory - Emission Allowances per ES Form 2.31, 2.32 and 2.33		450,225						
Less: Allowance Inventory Baseline	\perp	69,415						
Net Emission Allowance Inventory	Т	380,810						
Cash Working Capital Allowance	\perp	2,649,591				115,073		
Subtotal				3,662,522				115,073
Deductions:								
Accumulated Depreciation on Eligible Pollution Control Plant	\mathbf{I}	118,457,818				-		
Pollution Control Deferred Income Taxes		92,960,020				-		
Pollution Control Deferred Investment Tax Credit		27,155,631						
Subtotal				238,573,469				-
Environmental Compliance Rate Base			\$	1,241,656,918			\$	19,369,355

Determination of Pollution Control Operating Expenses

		Pre-2011		
	Eı	ovironmental	2011 I	Environmental
	Co	mpliance Plan	Com	pliance Plan
Monthly Operations & Maintenance Expense	\$	1,063,355	\$	920,585
Monthly Depreciation & Amortization Expense		4,017,862		-
Monthly Taxes Other Than Income Taxes		162,352		-
Monthly Emission Allowance Expense from ES Form 2.31, 2.32 and 2.33		10,502		
Add KU Current Month TC2 SQ Emission Allowance Expense not reflected on ES Form 2.31		0		
Less Monthly Emission Allowance Expense in base rates (1/12 of \$58,345.76)		4,862		
Net Recoverable Emission Allowance Expense		5,640		
Monthly Surcharge Consultant Fee				16,258
Construction Monitoring Consultant Fee				-
Total Pollution Control Operations Expense	\$	5,249,209	\$	936,843

Determination of Beneficial Reuse Operating Expenses

	Envir	onmental	
	Compliance Pla		
Total Monthly Beneficial Reuse Expense	\$	-	
Adjustment for Beneficial Reuse in Base Rates (from ES Form 2.61)		-	
Net Beneficial Reuse Operations Expense	\$	-	

Proceeds From By-Product and Allowance Sales

	Total	Total Amount in		Net	
	Proceeds	E	Base Rates		Proceeds
	(1)		(2)		(1) - (2)
Allowance Sales	\$ -	\$	-	\$	-
Scrubber By-Products Sales	53,014		50,597		2,416
Total Proceeds from Sales	\$ 53,014	\$	50,597	\$	2,416

Net Original Cost Kentucky Jurisdictional Rate Base <u>At December 31, 2011</u>

19, Total Net Original Cost Rate Base

Title of Account (1)	ECR RATE BASE JURIS FACTORS ALLOCATIONS (PER PSC 98-474)					
Utility Plant at Original Cost	0.86669 DEMPROD					
2. Deduct:						
3. Reserve for Depreciation	0.86669 STMSYS					
4. Net Utility Plant						
5. Deduct:						
6. Customer Advances for Construction						
7. Accumulated Deferred Income Taxes	0.86669 PRODSYS					
8. Asset Retirement Obligation-Net Assets						
9. Asset Retirement Obligation-Regulatory Liabilities						
10. Investment Tax Credit (a)	0.85799 PRODPLT					
11. Total Deductions						
12. Net Plant Deductions						
13. Add:						
14. Materials and Supplies	0.86798 M&S					
15. Prepayments	•					
16. Emission Allowances	0.86669 DEMPROD					
17. Cash Working Capital	0.86676 EXP5017 STEAM OPERATING EXP					
18. Total Additions						

86.6878%

Calculation of Excess Return Amount at December 31, 2011

	ELECTRIC (1)
1. Actual Earned Rate of Return on Common Equity (Section 2.2)	8.50%
2. Threshold Rate of Return on Common Equity (Section 2.3)	10.75%
3. Difference (Lines: 1 - 2)	-2.25%

4. Actual ROE is less than 10.75%. There is no excess return amount.

Kentucky Jurisdictional Rate of Return on Common Equity For the Twelve Months Ended December 31, 2011

	Adjusted Kentucky Jurisdictional Capitalization (Exhibit 2 Col 12) (1)	Percent of Total (2)	Annual Cost Rate (Exhibit 2 Col 14) (3)	Weighted Cost of Capital (Col 2 x Col 3) (4)	
Short Term Debt	\$0	0.00%	0.45%	0.00%	
1. Short Term Debt	Φ0	0.0078	0.4370	0.0070	
2. Long Term Debt	\$1,100,605,685	46.46%	3.68%	1.71%	
3. Common Equity	\$1,268,089,830	53.54%	8.50% (a)	4.55% (b))
4. Total Capitalization	\$2,368,695,515	100.00%		6.26%	
5. Pro-forma Net Operating Income				\$148,259,609 (c	:)
6. Net Operating Income /	6.26% (6	i)			

Notes: (a) - Column 4, Line 3 / Column 2, Line 3

- (b) Column 4, Line 4 Line 1 Line 2
- (c) Exhibit 1, Line 24, Column 4
- (d) Column 4, Line 5 divided by Column 1, Line 4