

**Louisville Gas and Electric Company
Kentucky Utilities Company
LG&E and KU Foundation Inc.
Schedule of Charitable Contributions
December 31, 2023
(\$ 000's)**

**Submitted pursuant to the Commission's Order in Case No. 2010-00204
Response to Appendix C, Commitment Nos. 1, 36, and 38**

Year	LG&E	KU	Foundation
	Actual	Actual	Actual
1997	147	388	1,176
1998	135	453	1,271
1999	102	107	2,312
2000	146	52	2,295
2001	160	48	2,207
2002	64	144	2,158
2003	178	95	1,185
2004	184	157	2,158
2005	641	259	1,268
2006	1,551	605	923
2007	1,148	478	1,028
2008	1,010	428	873
2009	867	532	768
2010	1,640	716	666
2011	1,859	1,055	679
2012	2,259	1,111	762
2013	2,619	1,246	839
2014	2,920	1,597	697
2015	3,972	1,651	781
2016	4,086	1,538	627
2017	3,241	1,527	625
2018	9,466	5,434	601
2019 ¹	8,473	5,863	3,828
2020	308	265	4,825
2021	426	287	5,100
2022	502	201	5,735
2023	501	166	4,485

1 - Beginning in 2019, all charitable contributions to 501(c)(3) organizations will be made by the LG&E and KU foundation. In December 2019, contributions of \$8 million and \$5 million were made by LG&E and KU, respectively, to the LG&E and KU Foundation as funding for such future charitable contributions. Contributions to other 501(c) organizations will continue to be made by each utility.

Louisville Gas and Electric Company
Kentucky Utilities Company
Schedule of Economic Development Expenditures ¹
December 31, 2023
(\$ 000's)

Submitted pursuant to the Commission's Order in Case No. 2010-00204
Response to Appendix C, Commitment Nos. 1 and 38

Year	LG&E	KU
	Actual	Actual
1997	842	1,296
1998	571	1,111
1999	576	1,359
2000 ²	681	988
2001	991	1,475
2002	996	1,451
2003	896	1,401
2004	863	1,361
2005	1,031	1,546
2006	1,130	1,698
2007	1,184	1,775
2008	1,175	1,761
2009	1,267	1,901
2010	1,286	1,930
2011	1,295	1,942
2012	1,167	1,752
2013	1,294	1,942
2014	1,220	1,826
2015	1,194	2,366
2016	1,081	1,940
2017	1,218	2,017
2018	1,174	2,229
2019	1,225	2,261
2020	1,278	2,170
2021	1,700	2,900
2022	1,680	2,907
2023 ³	1,362	2,101

- Note(s):**
- 1.- Economic development includes those activities to retain existing businesses and industries, to expand existing businesses and industries, and to attract new businesses and industries.
 - 2.- In the filing for 2000, the results were inadvertently reversed and, consequently, showed \$681,000 for KU and \$988,000 for LG&E. The 2000 results were corrected with the March 2003 filing which provided data through the year-ending December 31, 2002.
 - 3.- The 2023 figures exclude an accounting adjustment related to the treatment of KAED restricted cash balances. The adjusted figures are \$582,000 & \$774,000 for LG&E and KU respectively.

**LG&E and KU Energy LLC, Louisville Gas and Electric Company
and Kentucky Utilities Company**

CASE NO. 2010-00204

Response to Appendix C, Commitment No. 1

Direct support for customers

Capital investment and job creation by Kentucky companies in 2023 helped to yield the best-four-year period of economic growth in the history of economic development in the commonwealth according to Governor Beshear's office. Kentucky had 180 new-location and expansion announcements within the private sector in 2023. Those projects include \$4.6 billion in new investments and nearly 8,600 jobs. This economic development success put Kentucky in the national spotlight for economic development projects per capita, coming in third nationally and first in the South-Central region, in Site Selection Magazine's 2023 Governor's Cup.

Louisville Gas and Electric Company (LG&E) and Kentucky Utility Company's (KU) (collectively the "Companies") Economic Development (ED) team actively works to help entice companies to remain, expand or relocate to the Commonwealth, and our efforts contributed to the overall success of the state and communities in the Companies service territory. Through the Companies close relationships with existing customers and partnerships with national site consultants, state and local leaders, more than \$2.4 billion in capital investment, and nearly 4,500 new jobs were announced in the LG&E and KU service territories in 2023, accounting for more than half of all announced activity statewide in 2023. This growth crossed many business sectors, most notably, advanced manufacturing. The automotive industry, particularly Electric Vehicle (EV) battery production, remains a prospective growth sector for LG&E-KU and Kentucky communities as new requests for information continue to be pursued. Other traditional clusters continue to grow, including healthcare, logistics and distribution, metals, agri-tech and food/beverage production.

LG&E and KU economic development programs and strategies, marketed as "Opportunity Kentucky," include bill credits for new/expanding business customers, marketing, and grants.

Economic development rider

The Opportunity Kentucky [bill credit](#), also known as the Economic Development Rider (EDR), provides incentives to new and existing customers, enabling them to grow their operations and create new jobs. In 2023, LG&E and KU provided \$2,736,770 in bill credits to Phoenix Paper, Central Motor Wheel of America, Manchester Tank, Danimer Scientific, Bitiki-KY, Hendrickson, and UPS. These bill credits helped encourage the creation of approximately 730 jobs throughout the LG&E and KU service territories.

Marketing and positioning for success

In 2023, Site Selection Magazine, an international publication focused on economic development once again named LG&E and KU, among an elite group of Top 20 utilities in the U.S. for corporate facility investment and job creation announced in 2022. The annual evaluation includes about 3,300 electric utilities from around the country. The criteria to be named a Top 20 utility by Site Selection Magazine entails an evaluation of project investments in the service territories and calculates those projects' jobs and capital investment numbers on a cumulative and per-capita basis. The publication also considers questionnaire responses from utility economic developers about the energy companies' website tools and data; innovative programs and incentives for business (including sustainability programs); and the utilities' own job-creating infrastructure and facility investment trends.

KentuckyUnited is an initiative of the Kentucky Association of Economic Development (KAED) initiative which promotes the state as a business destination for new and expanding businesses. As a leader in the KentuckyUnited marketing effort, LG&E and KU works to promote communities to site selectors and companies interested in expanding their facilities. The Companies also participated in site-selector events with the Area Development Forum, the Southern Economic Development Council, as well as proactive marketing events with Commerce Lexington and Greater Louisville Inc. The Companies also co-hosted a FAM (familiarization) tour in 2023 in collaboration with Greater Louisville Inc.

The Companies online marketing platform, [OpportunityKY](#), helps site selectors and prospects evaluate communities and business parks with GIS mapping and quantitative data analysis. In addition, it includes overviews of the team, LG&E and KU programs and on-going customer support. This website is in collaboration with the Kentucky Cabinet for Economic Development and utilizes a tool called ZoomProspector. It specifically showcases each community's available commercial and industrial real estate within the LG&E and KU service territory. Intentional promotion of the OpportunityKY tagline and URL yielded strong digital analytics, verifying internet traffic to our website and social media posts. Visit: lge-ku.com/economic-development and [OpportunityKY](#) for a full overview of our economic development services.

To better engage site-selection consultants and their respective clients, the Companies issue a quarterly e-newsletter. It updates consultants on industrial sites in the LG&E and KU service territory, educates them on the Companies widening array of sustainability offerings, and celebrates new and expanding businesses in the LG&E and KU service area. In addition, the Companies continued a series of digital advertisements targeting site-selection consultants and consumers. LG&E and KU found that the latter resulted in higher customer satisfaction with the Companies, from the realization that LG&E-KU engages in ED activities. The Companies also promote Kentucky as a great destination to grow or expand a business in a variety of digital, social, and print advertisements.

Property/Product Development

The Opportunity Kentucky fund, previously referred to as a “matching grant fund,” was established to help communities proactively address land and building inventory shortages. It provides grants for due diligence, site development, workforce studies and more. The goal of this fund is to help communities increase industrial inventory, mitigate site risks, improve marketability of real estate, and attract businesses and job-growth opportunities. LG&E and KU has also completed and continues to reassess a site identification study to help communities understand where land opportunities exist. This process allows the Companies to maintain a list of high potential sites for future reference, as existing real estate is sold or leased, and maintains a pipeline of preparation activities for communities to focus on.

In 2023, Opportunity Kentucky grants supported the following development projects within the service territory.

2023 Grant Awards	
Dawson Springs - West Hopkins Industries	\$27,000
Ballard (Wickliffe Riverport) due diligence, site prep	\$40,000
Fayette (Legacy Business Park) infrastructure, site prep	\$200,000
Fleming (Flemingsburg Business Park) infrastructure, site prep	\$50,000
Jessamine (Jenette Industrial Park) infrastructure, site prep	\$128,796
Knox (Southeast Business Park) spec building	\$190,000
LaRue (Upton Site) property acquisition	\$50,000
Madison (Industrial Park III) site grading	\$50,000
Muhlenberg (Paradise Regional Business Park) tree clearing, demo, acquisition, and road extension	\$75,000
Nicholas/Bourbon (Proposed Regional Industrial Park) acquisition and infrastructure	\$75,000
Owen (Owen Industrial Park) site prep	\$10,000
Washington (Lincoln Business Park) site prep	\$10,000
	\$905,796

Also, LG&E and KU continued its long-term commitment to Bracken County through an investment of \$232,910 in zero-interest loans to assist in the development of industrial land in the community. This support has ensured the community maintains opportunity to attract jobs and investments in areas of economic hardship amidst increased global competition.

The Opportunity Kentucky Fund partners well with the Kentucky Product Development Initiative ([KPDI](#)). The KY Cabinet for Economic Development (KCED) manages an annual application process to access funding appropriated by the legislature in the biennial state budget. In 2023 the state approved project grants in excess of \$31.2 million which will be leveraged by local economic development groups with matching funds, like the Opportunity Kentucky Fund.

The ED team was deployed to assist local economic development partners with each KPDI application and will continue as site visits and work is approved.

- In 2023, there were twenty-seven applications from communities in the LG&E and KU service territory, representing more than \$20 million in grant requests from the program. As such, OpportunityKY Fund requests are expected to increase through the end of 2023 for communities in need of matching dollars for the KPDI.
- The ED team joined the third-party consulting firm, Site Selection Group, on visits to 16 LKE communities during the evaluation process.

Finally, it should be noted that the annual payments scheduled to be received as a result of the service territory settlement (Case No. 2019-00370) with Big Rivers in Meade County, associated with the Nucor Steel Mill announcement, are not a part of this annual report to date. LG&E and KU received the first annual payment from the settlement in January 2024. A separate filing will occur in 2024 to report on this funding as required.

Leadership

The LG&E and KU ED team works in tandem with local, regional, and statewide officials to provide leadership for strategic planning, support evaluation of new land and building opportunities, to ensure adequate electric and natural gas facilities and support new economic development projects.

For years, the LG&E-KU economic development has provided leadership to the KAED, which is the chief vehicle through which economic development professionals build skills, advocate issues, and share best practices. Playing an integral role in the development of training programs and providing ideas for an enhancement in public policies, the ED team works to increase support for economic development throughout the Commonwealth. The ED and Key Account Management teams also support the association's membership efforts that range from the effectiveness of professional development courses to conference programming and sponsorships, and the establishment of a new certification program. LG&E and KU was instrumental in the creation of a utility partnership to support product development (real estate) which culminated in the Kentucky Product Development Initiative (KPDI).

As part of our community engagement and leadership responsibilities, the ED and KAM teams provided board service and participated in planning activities/events for the following:

- Greater Louisville Inc.
- Louisville Metro Government Economic Development
- Kentucky Association for Economic Development and KYUnited
- Kentucky Institute for Economic Development
- Kentucky Association of Manufacturers
- Louisville Certified Commercial and Industrial Managers
- Lexington Industrial Authority
- Bluegrass Tomorrow
- Bluegrass Higher Education Consortium
- Southeast Kentucky Economic Development Corporation
- Commerce Lexington
- Bluegrass Alliance
- Jeffersontown Economic Development Authority
- Jeffersontown Chamber of Commerce
- Shelby County Industrial Foundation
- Kentucky Chamber Workforce Board
- Easter Seals of Western Kentucky
- Ballard County Economic Development
- Green River Area Development (GRADD) Economic Development Council
- Frankfort YMCA and YMCA of Central Kentucky

LG&E and KU representatives closely monitor key economic data and forecasts through participation in national organizations such as the Utility Economic Development Association, the Site Selectors Guild, the Industrial Asset Management Council, the Southern Economic Development Council, and the International Economic Development Council. These organizations provide insight into new and ever-changing trends, prospect interactions, professional development, education, and serve to cultivate key relationships with decision makers.

LG&E and KU Key Account Managers (KAMs) are also essential to economic development efforts not only by supporting new industry but as importantly for the retention and growth of current customers. In 2023, KAMs continued to learn more about state and local incentives which encourage growth. The team learned new ways to leverage excellent customer service into the creation of additional development opportunities for our customers and community partners. Further, the newest staff attended the Kentucky Association for Economic Development (KAED) conference as well as the Kentucky Institute for Economic Development (KIED).

Other developments

The Companies are a member of the Electric Highway Coalition, a partnership of over 60 U.S. utilities established to support the development of a seamless network of rapid electric vehicle charging stations connecting major highway systems. The Companies secured a contract with Enel X in late 2022 for EV fast charging equipment, network, and maintenance for the company-owned fast charging stations which aligns with the expressed goals of the Electric Highway Coalition. LG&E and KU are working with Enel X and electric distribution operations to install the equipment at two locations in 2023. To date, four ports have been installed at two locations: Lake Cumberland Tourist Center in Russell Springs KY and Norton's Healthcare Sports & Learning Facility in Louisville Ky. Both sites will be fully operational in mid 2024.

New and improved Energy Efficiency and Demand Response Programs are being deployed as part of the recently approved Demand Side Management filing. The Companies continue to support customers with offerings related to sustainability and empowering customers with renewable energy options, including the Green Tariff, Solar Share, and our Renewable Choice Calculator (RCC). The calculator helps customers better navigate LG&E and KU's renewable energy offerings. The RCC allows customers to easily calculate how they can support 100% renewable energy (equal to their monthly energy use) by combining renewable energy certificates (RECs) from the Green Energy Program and shares from the Solar Share Program. Best of all, the calculation provides these options at only a ~5% bill increase for large commercial customers, and \$1 per day for residential and small commercial customers. Further in 2022, section 5 of the solar array in Simpsonville was constructed following 100% subscription and section 6 is currently at 12% subscribed.

**LG&E and KU Energy LLC, Louisville Gas and Electric Company, and Kentucky
Utilities Company**

CASE NO. 2010-00204

Response to Appendix C, Commitment No. 19

The following information is LG&E and KU Energy LLC's proportionate share of selected PPL Corporation financial and operating numbers for the year-ended December 31, 2023 as stipulated in the aforementioned Commission's Order:

	LG&E and KU Energy LLC
Total Assets	44.5%
Operating Revenues	41.5%
Operating and Maintenance Expense	37.3%
Number of Employees	16.5%

**LG&E and KU Energy LLC, Louisville Gas and Electric Company, and Kentucky
Utilities Company**

CASE NO. 2010-00204

Response to Appendix C, Commitment No. 29

Appendix C, Commitment No. 29 specifies that the Companies submit the periodic reporting of “various reliability and service quality measurements”. However, in Administrative Case No 2006-00494, *An Investigation of the Reliability Measures of Kentucky’s Jurisdictional Electric Distribution Utilities and Certain Reliability Maintenance Practices*, dated October 26, 2007, the Companies are required to file similar reports and therefore were relieved on this reporting requirement (also see Commission’s Order dated July 16, 2008 for Case Nos. 2000-00095 and 2001-00104).

**LG&E and KU Energy LLC, Louisville Gas and Electric Company, and Kentucky
Utilities Company**

CASE NO. 2010-00204

Response to Appendix C, Commitment No. 1

The filing of the current Three-Year Capital Budget information is being submitted in response to Case No. 2010-00204, Appendix C, Commitment No. 1 which stipulates that the Companies will comply with all previous merger, change of control, and holding company Orders. However, more specifically, Case No. 2000-095, Summary of Findings No. 15 requires the Companies to annually file their current 3-year capital budgets, including an explanation for any reductions in the capital budget items greater than 10 percent.

**Louisville Gas and Electric Company
Kentucky Utilities Company
Three-Year Capital Budgets
[\$ 000,000's]**

**Submitted pursuant to the Commission's Order in Case No. 2010-00204
Response to Appendix C, Commitment No. 1**

				Change from Prior Report [Increase; (Decrease)]	
	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2024</u>	<u>2025</u>
Louisville Gas and Electric Company -					
Generation	\$ 222	\$ 421	\$ 334	\$ 95	\$ 27
Distribution	173	287	283	10	83
Transmission	39	51	56	16	23
Environmental	23	11	0	2	10
Other	98	84	34	12	10
Total	<u>\$ 554</u>	<u>\$ 854</u>	<u>\$ 708</u>	<u>\$ 135</u>	<u>\$ 153</u>
Kentucky Utilities Company -					
Generation	\$ 328	\$ 395	\$ 385	\$ 128	\$ (98)
Distribution	119	175	224	2	\$ 60
Transmission	83	133	244	(8)	\$ 51
Environmental	50	10	0	27	\$ 10
Other	118	110	64	16	\$ 21
Total	<u>\$ 698</u>	<u>\$ 822</u>	<u>\$ 917</u>	<u>\$ 165</u>	<u>\$ 43</u>

Notes

Generation - Reduced expenditures in 2025 driven by CPCN order and updated timing of CPCN related spend.