

**Louisville Gas and Electric Company
Kentucky Utilities Company
LG&E and KU Foundation Inc.
Schedule of Charitable Contributions
December 31, 2021
(\$ 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

1 - Beginning in 2019, all charitable contributions to 501(c)(3) organizations will be made by the LG&E and KU foundation.

Louisville Gas and Electric Company
Kentucky Utilities Company
Schedule of Economic Development Expenditures ¹
December 31, 2021
(\$ 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

- 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.

**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

Louisville Gas and Electric Company's ("LG&E") and Kentucky Utilities Company's ("KU") (collectively "the Companies") economic development team is actively working to help entice companies to remain, expand or relocate to the Commonwealth of Kentucky. In 2021, the Companies helped Kentucky break records for new jobs and investment. Through the close relationships with existing customers and partnerships with state and local leaders, more than \$8 billion in capital investment, and nearly 12,000 new jobs, were announced in the LG&E and KU service territories last year. This includes the monumental BlueOvalSK Battery Park announcement in Hardin County, which accounted for 5,000 of the new jobs, and \$5.8 billion of the new investment. Notwithstanding BlueOvalSK, all other projects' jobs and investment announcements combined for more than double the previous year's results. A good sign of Kentucky's momentum coming out of the heights of the pandemic and for the strategic deployment of programs and services by LG&E and KU and statewide partners.

In 2021, LG&E and KU filed contracts with the Kentucky Public Service Commission to provide renewable energy to five major organizations. The contracts with the University of Kentucky, North American Stainless, the University of Louisville, Chemours and Dow will supply the entities with solar energy from a 125-megawatt solar facility to be built in western Kentucky. The Companies also joined the Electric Highway Coalition, a partnership of 17 U.S. utilities established to support the development of a seamless network of rapid electric vehicle charging stations connecting major highway systems. In support of the Companies focus on sustainability and empowering customers with renewable energy options, a Renewable Choice Calculator ("RCC") has been launched in a pilot phase. The calculator was developed to help 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.

The Companies economic development programs and strategies, known as Opportunity Kentucky, include grants and bill credits for business customers. 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 2021, LG&E and KU provided \$3,474,697 in bill credits for Phoenix Paper, Toyota Motor Manufacturing Kentucky, North American Stainless, Hendrickson and UPS.

LG&E and KU key account managers participated in cross-training with economic development staff in 2021. They continue to learn more about economic development partners across the service territory, state and local incentive programs which encourage growth, and other ways to leverage excellent customer service into the creation of new development opportunities.

Leadership

LG&E and KU maintains a strong leadership position in preparing communities for economic development. The Companies Economic Development (“ED”) team works in tandem with local, regional, and statewide officials to ensure adequate electric and natural gas facilities are available to support new real estate developments.

The ED team continues to provide board leadership to the Kentucky Association for Economic Development (“KAED”), including chair of its foundation board and chair of the board of directors. The KAED 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 team also serves on key committees to support the KAED’s membership that range from the effectiveness of professional development courses to conference programming and sponsorships, and the establishment of a new certification program. During 2021, KAED transitioned conferences and engagements to a virtual format due to COVID-19.

To further expand upon the Companies community engagement and leadership responsibilities, the ED team worked with local organizations throughout the state. The ED team did this either through board service or as a participant in planning activities and events. This was done with many industrial organizations and chambers of commerce, including:

- Greater Louisville Inc.
- Kentucky Institute for Economic Development
- World Trade Center Kentucky
- Kentucky Association of Manufacturers
- Richmond Industrial Development Corporation
- Henderson EDC; Bluegrass Kiwanis
- Louisville Certified Commercial and Industrial Managers
- Lexington Industrial Authority
- Bluegrass Tomorrow
- Bluegrass Higher Education Consortium
- Business and Education Network
- Southeast Kentucky Economic Development Corporation
- Commerce Lexington
- Louisville Forward
- Bluegrass Alliance
- Jeffersontown Economic Development Authority
- Taylor County Industrial Foundation

- Shelby County Industrial Foundation
- Kentucky Chamber Workforce Board,
- Easter Seals of Western Kentucky
- Ballard County Economic Development
- GRADD Economic Development Council
- Frankfort YMCA and YMCA of Central Kentucky

LG&E and KU representatives closely monitor key economic data and trends. The ED team participates in the Utility Economic Development Association, the Site Selection 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.

Marketing and positioning for success

KentuckyUnited is a KAED initiative which promotes the state as a business destination for new and expanding businesses. As partners in the KentuckyUnited marketing effort, LG&E and KU work to attract and promote its communities to site selectors and companies interested in expanding their facilities. The pandemic continued to hamper outreach efforts in 2021, however the partners were able to reach this key audience with virtual meetings. The Companies also participated in site-selector events with the International Economic Development Council, the Southern Economic Development Council, and well as virtual marketing events with Commerce Lexington and Greater Louisville Inc. The 2022 schedule will include face-to-face events, as allowable with safe protocols due to COVID-19.

The Companies new online marketing platform, OpportunityKY, helps site selectors and prospects evaluate communities and business parks with GIS mapping and census data. The website is in collaboration with the Kentucky Cabinet for Economic Development and, specifically, showcases each community in the LG&E and KU service territory. It features information about available sites and buildings, details on existing businesses, industrial clusters, population demographics, and labor force data. In addition, the Companies made enhancements to the economic development section of its corporate website which corresponds to the OpportunityKY site, as well as new overviews about the team, our programs and on-going customer support. Please visit: lge-ku.com/economic-development.

To better engage site-selection consultants and their respective clients, the Companies developed 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 successfully piloted a series of digital advertisements targeting site-selection consultants. LG&E and KU also promote Kentucky as a great destination to grow or expand a business in a variety of digital, social, and print advertisements.

Real estate inventory 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 is also taking steps to help these communities plan through an ongoing site identification process. This process will build a database 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 2021, Opportunity Kentucky grants supported the following development projects within the LG&E and KU service territory.

Grants paid in 2021	
Winchester North industrial site, due diligence	\$7,342
Support new Kruger Packaging location in Elizabethtown	\$50,000
Muhlenberg County labor study	\$23,422
Committed Grants - Not Yet Paid	
Eddyville Industrial Park Grading and earthwork	\$172,560
Laurel County Greer Industrial Park wastewater pump station	\$100,000

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-maintained opportunities to attract jobs and investments in areas of economic hardship and increased global competition.

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 Meade County Rural Electric Cooperative Corporation, associated with the Nucor Corporation announcement, are not a part of this annual report. LG&E anticipates receiving the first annual payment from the settlement in 2023 or 2024.

**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, 2021 as stipulated in the aforementioned Commission's Order:

	LG&E and KU Energy LLC
Total Assets	50.3%
Operating Revenues	57.9%
Operating and Maintenance Expense	56.3%
Number of Employees	28.3%

**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	
	<u>2022</u>	<u>2023</u>	<u>2024</u>	[Increase; (Decrease)]	
				<u>2022</u>	<u>2023</u>
Louisville Gas and Electric Company -					
Generation	\$ 48	\$ 51	\$ 56	\$ (3)	\$ (0)
Distribution	188	204	250	\$ 39	\$ 60
Transmission	19	19	18	\$ 8	\$ 3
Environmental ¹	47	26	20	\$ (1)	\$ (21)
Other	60	86	84	\$ 3	\$ 8
Total	<u>\$ 362</u>	<u>\$ 385</u>	<u>\$ 428</u>	<u>\$ 46</u>	<u>\$ 50</u>
Kentucky Utilities Company -					
Generation	\$ 60	\$ 66	102	\$ 7	\$ (2)
Distribution	131	133	138	\$ 4	\$ 12
Transmission	126	139	136	\$ 21	\$ 44
Environmental ²	95	59	14	\$ (11)	\$ (25)
Other	68	86	97	\$ 5	\$ 10
Total	<u>\$ 480</u>	<u>\$ 482</u>	<u>\$ 487</u>	<u>\$ 25</u>	<u>\$ 39</u>

Notes

1. Louisville Gas and Electric Company reduction in 2023 Environmental projects due to lower estimated costs on the Effluent Limitation Guideline (ELG) projects based on award of Engineer, Procure, Construct (EPC) contract.

2. Kentucky Utilities Company reductions in 2022 and 2023 Environmental projects due to lower estimated costs on the ELG projects based on award of EPC contract.