

*Kentucky Utilities**KY, TN**361.00 STRUCTURES AND IMPROVEMENTS**Original Cost Of Utility Plant In Service**And Development Of Composite Remaining Life as of December 31, 2002**Based Upon Broad Group/Remaining Life Procedure and Technique**Average Service Life: 50**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1909	1,662.59	0.00	0.00	0.00	0.00
1931	1,206.50	50.00	24.13	5.27	127.15
1941	9,725.07	50.00	194.50	7.76	1,509.14
1942	263.08	50.00	5.26	8.05	42.35
1946	939.89	50.00	18.80	9.33	175.42
1947	2,079.16	50.00	41.58	9.69	402.91
1948	844.04	50.00	16.88	10.06	169.86
1949	2,763.33	50.00	55.27	10.45	577.64
1950	13,500.04	50.00	270.00	10.86	2,931.76
1951	4,689.15	50.00	93.78	11.28	1,058.07
1952	8,567.98	50.00	171.36	11.72	2,008.90
1953	3,099.89	50.00	62.00	12.18	755.26
1954	15,803.68	50.00	316.07	12.66	4,000.95
1955	23,880.00	50.00	477.60	13.15	6,281.35
1956	24,785.77	50.00	495.71	13.66	6,772.80
1957	15,422.06	50.00	308.44	14.19	4,376.88
1958	29,308.81	50.00	586.17	14.73	8,637.03
1959	10,665.90	50.00	213.32	15.29	3,262.67
1960	16,109.25	50.00	322.18	15.87	5,113.37
1961	26,163.80	50.00	523.27	16.46	8,614.27
1962	29,750.42	50.00	595.01	17.07	10,155.74
1963	28,838.45	50.00	576.77	17.69	10,202.20
1964	19,373.50	50.00	387.47	18.32	7,099.46
1965	57,655.66	50.00	1,153.11	18.97	21,874.55
1966	23,139.31	50.00	462.79	19.63	9,084.59
1967	28,863.85	50.00	577.28	20.30	11,720.38
1968	28,789.76	50.00	575.79	20.99	12,084.51

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<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1969	33,897.67	50.00	677.95	21.68	14,700.58
1970	41,262.41	50.00	825.25	22.39	18,478.37
1971	67,552.01	50.00	1,351.04	23.11	31,222.21
1972	43,017.86	50.00	860.36	23.84	20,509.94
1973	63,684.47	50.00	1,273.69	24.58	31,305.16
1974	47,113.88	50.00	942.28	25.33	23,865.92
1975	47,267.08	50.00	945.34	26.09	24,661.45
1976	13,887.80	50.00	277.76	26.86	7,459.53
1977	63,390.00	50.00	1,267.80	27.63	35,035.56
1978	67,774.73	50.00	1,355.49	28.42	38,526.75
1979	50,110.30	50.00	1,002.20	29.22	29,283.84
1980	153,705.55	50.00	3,074.10	30.03	92,299.97
1981	26,213.21	50.00	524.26	30.84	16,167.83
1982	126,982.93	50.00	2,539.65	31.66	80,409.74
1983	16,174.57	50.00	323.49	32.49	10,511.01
1984	65,205.03	50.00	1,304.10	33.33	43,467.12
1985	13,247.69	50.00	264.95	34.18	9,055.48
1986	48,841.53	50.00	976.83	35.03	34,219.95
1987	36,437.02	50.00	728.74	35.89	26,156.64
1988	65,178.34	50.00	1,303.56	36.76	47,920.88
1989	14,472.45	50.00	289.45	37.64	10,893.88
1990	74,755.03	50.00	1,495.10	38.52	57,588.96
1991	103,913.25	50.00	2,078.26	39.41	81,897.47
1992	18,225.44	50.00	364.51	40.30	14,690.06
1993	18,247.77	50.00	364.95	41.20	15,036.58
1994	101,623.17	50.00	2,032.46	42.11	85,580.87
1995	275,694.94	50.00	5,513.89	43.02	237,197.77

**Kentucky Utilities
KY, TN**

361.00 STRUCTURES AND IMPROVEMENTS

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2002

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 50

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1996	206,811.26	50.00	4,136.21	43.93	181,722.93
1997	157,259.65	50.00	3,145.19	44.86	141,079.91
1998	286,872.55	50.00	5,737.44	45.78	262,669.79
1999	129,633.45	50.00	2,592.66	46.71	121,108.67
2000	106,336.73	50.00	2,126.73	47.65	101,331.53
2001	276,999.94	50.00	5,539.99	48.59	269,161.39
2002	141,181.25	50.00	2,823.62	49.53	139,846.98
Total	3,430,881.90	49.18	68,583.82	36.37	2,494,103.95

Composite Average Remaining Life ... 36.37 Years

Kentucky Utilities***KY, TN******362.00 STATION EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 50**Survivor Curve: R1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1909	2,805.35	50.00	56.11	2.35	131.85
1920	66.63	50.00	1.33	5.14	6.84
1928	2,412.02	50.00	48.24	7.24	349.44
1930	3,647.24	50.00	72.94	7.82	570.33
1934	18,372.63	50.00	367.45	9.02	3,314.86
1935	3,176.82	50.00	63.54	9.33	593.06
1936	2,285.08	50.00	45.70	9.65	441.14
1937	4,570.16	50.00	91.40	9.98	911.96
1938	12,787.18	50.00	255.74	10.31	2,636.32
1939	21,447.58	50.00	428.95	10.65	4,566.86
1940	28,543.85	50.00	570.87	10.99	6,275.12
1941	67,311.43	50.00	1,346.21	11.35	15,273.55
1942	6,022.32	50.00	120.44	11.71	1,410.07
1943	784.28	50.00	15.69	12.08	189.44
1944	13,795.27	50.00	275.90	12.46	3,436.78
1945	22,221.75	50.00	444.43	12.84	5,708.67
1946	29,921.32	50.00	598.42	13.24	7,924.80
1947	59,761.52	50.00	1,195.21	13.65	16,315.43
1948	164,958.08	50.00	3,299.12	14.07	46,413.08
1949	179,577.46	50.00	3,591.50	14.50	52,063.04
1950	102,939.30	50.00	2,058.76	14.93	30,746.12
1951	102,181.44	50.00	2,043.60	15.38	31,436.35
1952	223,635.87	50.00	4,472.66	15.84	70,854.88
1953	424,580.73	50.00	8,491.50	16.31	138,507.00
1954	395,352.07	50.00	7,906.93	16.79	132,767.29
1955	496,161.98	50.00	9,923.10	17.28	171,488.66
1956	576,247.77	50.00	11,524.80	17.78	204,942.63

Kentucky Utilities**KY, TN****362.00 STATION EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 50**Survivor Curve: R1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1957	176,331.45	50.00	3,526.58	18.29	64,515.92
1958	346,182.66	50.00	6,923.56	18.82	130,273.60
1959	398,655.64	50.00	7,973.00	19.35	154,262.27
1960	404,610.69	50.00	8,092.10	19.89	160,954.75
1961	372,647.06	50.00	7,452.84	20.44	152,356.06
1962	902,066.96	50.00	18,041.09	21.00	378,952.61
1963	668,821.47	50.00	13,376.24	21.58	288,620.02
1964	647,156.61	50.00	12,942.95	22.16	286,800.30
1965	907,782.01	50.00	18,155.39	22.75	413,035.66
1966	877,703.91	50.00	17,553.84	23.35	409,892.54
1967	1,250,990.06	50.00	25,019.46	23.96	599,474.12
1968	708,198.41	50.00	14,163.77	24.58	348,131.55
1969	1,256,882.83	50.00	25,137.31	25.21	633,623.59
1970	1,144,614.98	50.00	22,891.98	25.84	591,587.87
1971	1,024,721.11	50.00	20,494.14	26.49	542,829.48
1972	1,007,859.56	50.00	20,156.91	27.14	547,053.40
1973	1,513,840.35	50.00	30,276.39	27.80	841,695.90
1974	1,401,672.12	50.00	28,033.06	28.47	798,069.01
1975	1,118,587.94	50.00	22,371.45	29.14	652,012.97
1976	598,816.74	50.00	11,976.17	29.83	357,227.99
1977	1,659,063.26	50.00	33,180.81	30.52	1,012,635.96
1978	3,085,889.02	50.00	61,716.93	31.22	1,926,563.65
1979	2,186,336.70	50.00	43,726.13	31.92	1,395,747.62
1980	1,457,508.80	50.00	29,149.77	32.63	951,179.73
1981	607,028.20	50.00	12,140.40	33.35	404,852.73
1982	2,476,716.07	50.00	49,533.64	34.07	1,687,630.19
1983	546,733.60	50.00	10,934.52	34.80	380,510.65

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<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1984	1,553,201.28	50.00	31,063.60	35.53	1,103,790.80
1985	1,248,388.59	50.00	24,967.43	36.27	905,640.96
1986	888,905.28	50.00	17,777.86	37.02	658,096.76
1987	1,984,635.87	50.00	39,692.17	37.77	1,499,082.56
1988	1,723,132.98	50.00	34,462.18	38.52	1,327,572.65
1989	1,232,180.26	50.00	24,643.26	39.28	968,044.39
1990	2,050,382.88	50.00	41,007.09	40.05	1,642,203.83
1991	1,134,639.19	50.00	22,692.47	40.82	926,218.69
1992	1,510,020.30	50.00	30,199.99	41.59	1,256,022.81
1993	678,704.64	50.00	13,573.91	42.37	575,112.43
1994	3,593,261.29	50.00	71,864.23	43.15	3,101,120.96
1995	8,115,914.24	50.00	162,316.04	43.94	7,132,284.73
1996	6,470,410.10	50.00	129,406.42	44.73	5,788,819.82
1997	4,666,470.85	50.00	93,328.13	45.53	4,249,344.78
1998	4,191,581.25	50.00	83,830.47	46.33	3,884,157.06
1999	2,822,927.42	50.00	56,457.77	47.14	2,661,439.52
2000	2,168,276.19	50.00	43,364.93	47.95	2,079,428.66
2001	4,688,423.01	50.00	93,767.17	48.77	4,572,832.65
2002	3,785,265.98	50.00	75,704.27	49.59	3,754,072.11
Total	86,219,706.94	50.00	1,724,370.33	37.78	65,145,051.90

Composite Average Remaining Life ... 37.78 Years

Kentucky Utilities**KY, TN****364.00 POLES, TOWER AND FIXTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 40**Survivor Curve: S0*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	92,221.80	40.00	2,305.54	6.97	16,066.97
1942	3,890.02	40.00	97.25	7.36	715.73
1943	8,979.05	40.00	224.48	7.75	1,740.53
1944	8,732.97	40.00	218.32	8.15	1,779.03
1945	14,102.95	40.00	352.57	8.55	3,013.30
1946	74,804.99	40.00	1,870.12	8.95	16,729.52
1947	146,782.33	40.00	3,669.56	9.35	34,302.40
1948	206,204.70	40.00	5,155.11	9.75	50,269.50
1949	368,091.67	40.00	9,202.29	10.16	93,476.57
1950	547,662.70	40.00	13,691.56	10.57	144,668.14
1951	534,678.09	40.00	13,366.94	10.98	146,735.99
1952	620,588.50	40.00	15,514.70	11.39	176,724.34
1953	350,114.68	40.00	8,752.86	11.81	103,345.79
1954	123,194.61	40.00	3,079.86	12.23	37,653.22
1955	341,109.82	40.00	8,527.74	12.65	107,852.76
1956	447,331.12	40.00	11,183.27	13.07	146,181.57
1957	565,367.03	40.00	14,134.17	13.50	190,794.84
1958	370,596.09	40.00	9,264.90	13.93	129,050.86
1959	509,343.87	40.00	12,733.59	14.36	182,886.45
1960	117,169.94	40.00	2,929.25	14.80	43,350.28
1961	603,129.25	40.00	15,078.22	15.24	229,779.89
1962	603,550.23	40.00	15,088.74	15.68	236,631.90
1963	798,773.26	40.00	19,969.32	16.13	322,101.00
1964	894,925.94	40.00	22,373.13	16.58	370,961.53
1965	908,242.34	40.00	22,706.04	17.04	386,805.95
1966	952,479.91	40.00	23,811.98	17.49	416,571.78
1967	1,039,012.12	40.00	25,975.28	17.96	466,440.65

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<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1968	1,087,996.41	40.00	27,199.89	18.42	501,144.95
1969	1,187,566.53	40.00	29,689.14	18.90	561,013.76
1970	821,881.37	40.00	20,547.02	19.37	398,056.93
1971	1,621,346.34	40.00	40,533.63	19.85	804,767.32
1972	1,512,440.58	40.00	37,810.99	20.34	769,117.52
1973	1,759,094.74	40.00	43,977.34	20.83	916,174.86
1974	1,777,341.36	40.00	44,433.50	21.33	947,796.20
1975	1,376,171.74	40.00	34,404.27	21.83	751,176.75
1976	1,675,672.79	40.00	41,891.79	22.34	936,012.83
1977	1,860,875.59	40.00	46,521.86	22.86	1,063,452.56
1978	1,755,169.72	40.00	43,879.21	23.38	1,025,988.75
1979	2,472,341.37	40.00	61,808.49	23.91	1,477,928.26
1980	2,596,518.08	40.00	64,912.90	24.45	1,587,041.85
1981	2,621,368.77	40.00	65,534.17	24.99	1,637,908.13
1982	3,114,921.74	40.00	77,872.99	25.55	1,989,386.37
1983	4,091,420.40	40.00	102,285.44	26.11	2,670,436.61
1984	2,984,381.84	40.00	74,609.49	26.68	1,990,493.21
1985	3,207,362.51	40.00	80,184.00	27.26	2,185,704.70
1986	4,199,636.39	40.00	104,990.83	27.85	2,923,951.95
1987	4,765,979.98	40.00	119,149.41	28.45	3,389,835.94
1988	4,513,274.73	40.00	112,831.79	29.06	3,279,299.50
1989	4,831,828.03	40.00	120,795.61	29.69	3,586,171.45
1990	5,018,396.30	40.00	125,459.82	30.33	3,804,766.14
1991	4,791,975.12	40.00	119,799.29	30.98	3,711,117.19
1992	5,751,113.17	40.00	143,777.72	31.65	4,549,907.40
1993	6,275,172.24	40.00	156,879.19	32.33	5,071,527.57
1994	7,526,867.03	40.00	188,171.54	33.03	6,215,086.99

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<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1995	8,586,045.66	40.00	214,650.98	33.75	7,243,858.96
1996	8,589,580.54	40.00	214,739.36	34.49	7,405,920.55
1997	8,154,656.90	40.00	203,866.27	35.25	7,186,131.82
1998	7,240,889.51	40.00	181,022.11	36.04	6,523,627.53
1999	7,629,632.01	40.00	190,740.66	36.85	7,029,109.98
2000	8,307,260.53	40.00	207,681.36	37.70	7,829,587.36
2001	3,928,936.59	40.00	98,223.34	38.58	3,789,661.82
2002	6,539,143.17	40.00	163,478.46	39.51	6,459,573.89
Total	155,425,339.76	40.00	3,885,630.65	29.92	116,269,368.11

Composite Average Remaining Life ... 29.92 Years

Kentucky Utilities***KY, TN******365.00 OVERHEAD CONDUCTORS & DEVICES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 41**Survivor Curve: R2*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	311,618.00	41.00	7,600.40	4.05	30,757.10
1942	24,622.98	41.00	600.56	4.34	2,606.72
1943	38,140.19	41.00	930.24	4.63	4,305.11
1944	40,506.22	41.00	987.95	4.92	4,864.70
1945	116,016.93	41.00	2,829.67	5.22	14,763.87
1946	141,701.26	41.00	3,456.11	5.52	19,074.96
1947	302,840.29	41.00	7,386.31	5.82	43,004.51
1948	412,085.30	41.00	10,050.80	6.13	61,648.77
1949	546,152.98	41.00	13,320.73	6.45	85,922.05
1950	570,420.80	41.00	13,912.62	6.78	94,274.04
1951	408,787.58	41.00	9,970.37	7.11	70,903.72
1952	571,784.65	41.00	13,945.89	7.45	103,959.41
1953	604,895.66	41.00	14,753.47	7.81	115,224.62
1954	390,567.30	41.00	9,525.98	8.18	77,884.73
1955	563,538.63	41.00	13,744.77	8.55	117,585.63
1956	545,754.77	41.00	13,311.02	8.95	119,084.78
1957	525,568.80	41.00	12,818.68	9.35	119,868.09
1958	546,353.06	41.00	13,325.61	9.77	130,180.03
1959	505,009.44	41.00	12,317.23	10.20	125,657.93
1960	376,045.92	41.00	9,171.80	10.65	97,660.73
1961	612,317.07	41.00	14,934.48	11.11	165,912.75
1962	704,000.97	41.00	17,170.66	11.58	198,911.10
1963	883,094.01	41.00	21,538.76	12.07	260,078.45
1964	1,045,254.74	41.00	25,493.87	12.58	320,688.81
1965	1,341,313.16	41.00	32,714.77	13.10	428,518.12
1966	1,052,966.68	41.00	25,681.97	13.63	350,092.04
1967	1,235,572.70	41.00	30,135.75	14.18	427,288.97

Kentucky Utilities***KY, TN******365.00 OVERHEAD CONDUCTORS & DEVICES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 41**Survivor Curve: R2*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1968	1,526,931.38	41.00	37,242.02	14.74	549,018.00
1969	1,498,571.16	41.00	36,550.31	15.32	559,845.91
1970	1,229,240.07	41.00	29,981.30	15.91	476,935.97
1971	2,145,418.65	41.00	52,326.99	16.51	863,943.06
1972	1,655,786.12	41.00	40,384.80	17.13	691,700.57
1973	1,942,489.74	41.00	47,377.53	17.76	841,279.14
1974	2,447,076.34	41.00	59,684.45	18.40	1,098,094.00
1975	1,579,220.57	41.00	38,517.36	19.05	733,928.35
1976	1,777,728.95	41.00	43,359.00	19.72	855,073.43
1977	2,114,189.19	41.00	51,565.30	20.40	1,051,977.12
1978	2,500,191.46	41.00	60,979.94	21.09	1,286,126.70
1979	3,097,024.23	41.00	75,536.75	21.79	1,646,241.76
1980	2,971,055.15	41.00	72,464.35	22.51	1,630,937.56
1981	2,778,331.28	41.00	67,763.80	23.23	1,574,254.27
1982	3,550,921.79	41.00	86,607.36	23.97	2,075,633.50
1983	3,146,813.25	41.00	76,751.11	24.71	1,896,555.44
1984	2,842,159.23	41.00	69,320.57	25.47	1,765,374.16
1985	2,471,358.47	41.00	60,276.70	26.23	1,581,146.81
1986	3,312,751.86	41.00	80,798.37	27.01	2,182,137.47
1987	4,111,274.02	41.00	100,274.41	27.79	2,786,740.69
1988	4,173,247.15	41.00	101,785.94	28.59	2,909,586.86
1989	5,545,203.15	41.00	135,248.09	29.39	3,974,629.91
1990	5,076,496.63	41.00	123,816.29	30.20	3,739,195.01
1991	4,421,172.93	41.00	107,832.88	31.02	3,344,912.74
1992	4,758,250.31	41.00	116,054.23	31.85	3,696,015.74
1993	4,630,515.53	41.00	112,938.77	32.68	3,691,364.61
1994	5,996,907.63	41.00	146,265.22	33.53	4,904,102.34

Kentucky Utilities**KY, TN****365.00 OVERHEAD CONDUCTORS & DEVICES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 41****Survivor Curve: R2**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
1995	7,567,998.28	41.00	184,584.28	34.38	6,346,324.38
1996	7,038,469.44	41.00	171,669.02	35.24	6,049,841.56
1997	5,890,202.33	41.00	143,662.66	36.11	5,187,504.38
1998	4,734,521.53	41.00	115,475.48	36.98	4,270,640.76
1999	5,447,170.01	41.00	132,857.06	37.86	5,030,485.65
2000	5,857,019.43	41.00	142,853.33	38.75	5,535,919.59
2001	7,953,544.23	41.00	193,987.79	39.65	7,690,947.21
2002	5,999,015.19	41.00	146,316.62	40.55	5,932,803.99
Total	148,205,196.77	41.00	3,614,740.52	28.23	102,041,940.42

Composite Average Remaining Life ... 28.23 Years

Kentucky Utilities***KY, TN******366.00 UNDERGROUND CONDUIT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 50**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1951	9,798.44	50.00	195.97	9.41	1,843.65
1953	21,508.09	50.00	430.16	10.33	4,442.62
1956	153.17	50.00	3.06	11.85	36.30
1963	2,509.91	50.00	50.20	16.04	804.96
1965	1,173.08	50.00	23.46	17.38	407.68
1966	2,352.39	50.00	47.05	18.07	850.07
1967	3,166.59	50.00	63.33	18.77	1,188.97
1968	2,234.36	50.00	44.69	19.49	871.05
1970	1,315.92	50.00	26.32	20.97	551.80
1971	75.64	50.00	1.51	21.72	32.86
1973	39,855.12	50.00	797.10	23.27	18,545.00
1974	397,922.98	50.00	7,958.46	24.05	191,433.60
1976	27,227.14	50.00	544.54	25.66	13,974.58
1979	430,660.28	50.00	8,613.20	28.15	242,479.15
1980	218,176.23	50.00	4,363.52	29.00	126,546.78
1981	15.23	50.00	0.30	29.86	9.10
1982	64,153.75	50.00	1,283.07	30.73	39,424.70
1983	61,682.89	50.00	1,233.66	31.60	38,987.16
1986	44,888.69	50.00	897.77	34.28	30,777.04
1987	67,484.45	50.00	1,349.69	35.19	47,495.69
1989	20,092.38	50.00	401.85	37.03	14,880.01
1995	122,898.72	50.00	2,457.97	42.69	104,942.11
1998	5,762.61	50.00	115.25	45.59	5,254.77
2001	6,858.63	50.00	137.17	48.52	6,656.29

Kentucky Utilities***KY, TN******366.00 UNDERGROUND CONDUIT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 50******Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<i>Total</i>	1,551,966.69	50.00	31,039.32	28.75	892,435.94

Composite Average Remaining Life ... 28.75 Years

Kentucky Utilities**KY, TN****367.00 UNDERGROUND CONDUCTORS & DEVICES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	3,345.26	0.00	0.00	0.00	0.00
1951	127.68	0.00	0.00	0.00	0.00
1963	264.62	30.00	8.82	2.81	24.82
1964	175.55	30.00	5.85	3.07	17.98
1965	451.92	30.00	15.06	3.35	50.40
1966	3,296.14	30.00	109.87	3.63	399.11
1967	5,154.50	30.00	171.82	3.93	675.88
1968	26,291.45	30.00	876.38	4.26	3,732.34
1969	54,856.49	30.00	1,828.55	4.61	8,426.60
1970	20,663.16	30.00	688.77	4.98	3,433.44
1971	15,606.72	30.00	520.22	5.39	2,804.59
1972	109,638.23	30.00	3,654.60	5.83	21,298.69
1973	55,032.47	30.00	1,834.41	6.30	11,552.23
1974	305,213.99	30.00	10,173.79	6.80	69,160.80
1975	244,305.37	30.00	8,143.50	7.33	59,688.49
1976	257,445.71	30.00	8,581.51	7.89	67,740.92
1977	190,115.41	30.00	6,337.17	8.49	53,778.19
1978	280,864.64	30.00	9,362.14	9.11	85,255.27
1979	356,317.58	30.00	11,877.24	9.76	115,863.87
1980	423,578.91	30.00	14,119.28	10.43	147,227.10
1981	251,394.35	30.00	8,379.80	11.12	93,207.51
1982	286,836.77	30.00	9,561.21	11.84	113,224.65
1983	321,977.13	30.00	10,732.56	12.58	135,023.77
1984	354,068.40	30.00	11,802.26	13.34	157,429.80
1985	298,609.60	30.00	9,953.64	14.12	140,518.95
1986	512,370.89	30.00	17,079.01	14.91	254,693.16
1987	922,424.75	30.00	30,747.45	15.73	483,506.86

Kentucky Utilities**KY, TN****367.00 UNDERGROUND CONDUCTORS & DEVICES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1988	786,890.95	30.00	26,229.66	16.56	434,245.04
1989	1,239,396.98	30.00	41,313.18	17.40	718,892.50
1990	475,567.12	30.00	15,852.22	18.26	289,491.97
1991	686,237.66	30.00	22,874.56	19.14	437,787.51
1992	651,069.21	30.00	21,702.28	20.03	434,666.30
1993	1,047,012.14	30.00	34,900.36	20.93	730,525.18
1994	2,400,822.00	30.00	80,027.29	21.85	1,748,443.55
1995	4,170,054.43	30.00	139,001.63	22.78	3,165,806.40
1996	3,420,973.97	30.00	114,032.31	23.71	2,704,049.25
1997	3,529,554.01	30.00	117,651.64	24.66	2,901,389.28
1998	3,640,498.51	30.00	121,349.79	25.62	3,108,595.19
1999	4,265,170.17	30.00	142,172.15	26.58	3,778,984.03
2000	5,717,362.26	30.00	190,578.49	27.55	5,250,610.17
2001	6,351,956.94	30.00	211,731.62	28.53	6,040,054.28
2002	5,601,452.78	30.00	186,714.85	29.51	5,509,552.21
Total	49,284,446.82	28.57	1,642,696.95	23.91	39,281,828.28

Composite Average Remaining Life ... 23.91 Years

Kentucky Utilities***KY, TN******368.00 LINE TRANSFORMERS***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 42**Survivor Curve: S0.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	114,311.06	42.00	2,721.69	7.69	20,928.45
1942	3,735.21	42.00	88.93	8.04	714.85
1943	5,726.14	42.00	136.34	8.39	1,143.78
1944	12,197.98	42.00	290.43	8.74	2,538.72
1945	31,166.08	42.00	742.05	9.10	6,750.90
1946	55,956.13	42.00	1,332.29	9.46	12,599.71
1947	58,697.65	42.00	1,397.56	9.82	13,721.09
1948	56,017.46	42.00	1,333.75	10.18	13,582.22
1949	96,627.66	42.00	2,300.66	10.55	24,275.28
1950	120,539.97	42.00	2,870.00	10.92	31,351.47
1951	135,237.97	42.00	3,219.95	11.30	36,386.15
1952	264,949.62	42.00	6,308.32	11.68	73,677.95
1953	149,890.40	42.00	3,568.82	12.06	43,053.20
1954	225,339.95	42.00	5,365.23	12.45	66,806.64
1955	403,742.69	42.00	9,612.92	12.84	123,474.49
1956	236,998.52	42.00	5,642.82	13.24	74,723.76
1957	340,113.85	42.00	8,097.94	13.64	110,491.49
1958	400,386.49	42.00	9,533.01	14.05	133,956.41
1959	548,287.12	42.00	13,054.45	14.46	188,827.21
1960	377,584.09	42.00	8,990.09	14.88	133,796.28
1961	428,760.81	42.00	10,208.59	15.31	156,257.53
1962	507,170.74	42.00	12,075.49	15.74	190,023.31
1963	521,040.06	42.00	12,405.71	16.17	200,627.47
1964	540,636.76	42.00	12,872.30	16.61	213,865.22
1965	720,119.21	42.00	17,145.69	17.06	292,565.59
1966	878,946.76	42.00	20,927.29	17.52	366,630.23
1967	1,413,277.64	42.00	33,649.45	17.98	605,083.03

Kentucky Utilities***KY, TN******368.00 LINE TRANSFORMERS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 42**Survivor Curve: S0.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1968	949,509.05	42.00	22,607.35	18.45	417,168.12
1969	1,403,019.87	42.00	33,405.22	18.93	632,382.39
1970	1,864,481.88	42.00	44,392.40	19.42	861,971.65
1971	2,006,659.46	42.00	47,777.58	19.91	951,315.81
1972	2,114,111.24	42.00	50,335.95	20.41	1,027,555.30
1973	3,530,891.89	42.00	84,068.81	20.93	1,759,263.74
1974	3,959,218.37	42.00	94,267.05	21.45	2,021,779.10
1975	1,847,389.30	42.00	43,985.44	21.98	966,736.85
1976	2,434,435.29	42.00	57,962.71	22.52	1,305,271.47
1977	4,538,702.60	42.00	108,064.29	23.07	2,493,015.53
1978	4,327,514.99	42.00	103,036.01	23.63	2,434,968.76
1979	4,529,107.84	42.00	107,835.84	24.20	2,610,140.47
1980	3,121,431.06	42.00	74,319.75	24.79	1,842,268.65
1981	3,223,562.63	42.00	76,751.45	25.39	1,948,390.68
1982	4,880,432.60	42.00	116,200.71	25.99	3,020,499.09
1983	5,258,466.23	42.00	125,201.51	26.62	3,332,347.96
1984	3,694,095.73	42.00	87,954.61	27.25	2,396,779.47
1985	4,459,327.26	42.00	106,174.40	27.90	2,962,023.23
1986	5,041,649.40	42.00	120,039.21	28.56	3,428,463.86
1987	5,672,705.00	42.00	135,064.33	29.24	3,948,978.29
1988	8,432,520.28	42.00	200,774.18	29.93	6,008,956.51
1989	6,512,644.02	42.00	155,062.87	30.64	4,750,843.37
1990	6,353,138.07	42.00	151,265.11	31.36	4,743,877.45
1991	5,627,165.61	42.00	133,980.06	32.10	4,301,143.00
1992	6,478,469.23	42.00	154,249.18	32.86	5,068,643.09
1993	8,065,552.33	42.00	192,036.85	33.63	6,459,050.92
1994	8,769,539.94	42.00	208,798.45	34.43	7,188,790.27

Kentucky Utilities**KY, TN****368.00 LINE TRANSFORMERS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 42**Survivor Curve: S0.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1995	9,371,792.82	42.00	223,137.80	35.24	7,863,574.10
1996	8,597,988.93	42.00	204,713.91	36.07	7,384,686.90
1997	8,969,113.59	42.00	213,550.21	36.92	7,885,169.15
1998	8,914,843.59	42.00	212,258.06	37.80	8,022,301.53
1999	7,324,421.89	42.00	174,390.90	38.69	6,747,043.42
2000	10,675,293.23	42.00	254,173.51	39.60	10,066,177.73
2001	10,014,131.51	42.00	238,431.57	40.54	9,666,149.27
2002	6,058,667.67	42.00	144,253.91	41.51	5,987,473.53
Total	197,669,452.42	42.00	4,706,412.94	30.95	145,643,053.10

Composite Average Remaining Life ... 30.95 Years

Kentucky Utilities***KY, TN******369.00 SERVICES***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	141,609.88	0.00	0.00	0.00	0.00
1942	8,439.61	0.00	0.00	0.00	0.00
1943	1,416.14	0.00	0.00	0.00	0.00
1944	4,356.41	0.00	0.00	0.00	0.00
1945	6,901.36	0.00	0.00	0.00	0.00
1946	29,740.42	0.00	0.00	0.00	0.00
1947	104,307.11	0.00	0.00	0.00	0.00
1948	145,797.59	0.00	0.00	0.00	0.00
1949	135,637.35	0.00	0.00	0.00	0.00
1950	90,622.53	0.00	0.00	0.00	0.00
1951	73,532.39	0.00	0.00	0.00	0.00
1952	116,728.45	30.00	3,890.94	0.50	1,945.47
1953	54,468.91	30.00	1,815.63	0.51	928.43
1954	12,862.22	30.00	428.74	0.65	277.70
1955	64,295.31	30.00	2,143.17	0.83	1,778.92
1956	203,876.13	30.00	6,795.86	1.06	7,211.46
1957	234,034.18	30.00	7,801.13	1.30	10,146.17
1958	180,215.61	30.00	6,007.18	1.54	9,235.82
1959	268,555.28	30.00	8,951.83	1.79	16,036.80
1960	84,503.89	30.00	2,816.79	2.05	5,767.29
1961	277,745.06	30.00	9,258.16	2.30	21,262.25
1962	276,654.02	30.00	9,221.79	2.55	23,550.74
1963	262,749.79	30.00	8,758.31	2.81	24,640.64
1964	272,534.09	30.00	9,084.46	3.07	27,913.80
1965	182,370.80	30.00	6,079.02	3.35	20,340.00
1966	265,974.13	30.00	8,865.79	3.63	32,204.92
1967	330,737.77	30.00	11,024.58	3.93	43,368.05

Kentucky Utilities***KY, TN******369.00 SERVICES***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1968	248,637.20	30.00	8,287.90	4.26	35,296.59
1969	307,493.41	30.00	10,249.77	4.61	47,234.61
1970	190,897.21	30.00	6,363.23	4.98	31,719.97
1971	438,752.91	30.00	14,625.08	5.39	78,845.68
1972	514,389.33	30.00	17,146.29	5.83	99,926.98
1973	523,053.50	30.00	17,435.09	6.30	109,797.58
1974	833,789.46	30.00	27,792.95	6.80	188,934.82
1975	677,888.45	30.00	22,596.25	7.33	165,621.15
1976	1,038,679.23	30.00	34,622.60	7.89	273,304.55
1977	1,223,892.15	30.00	40,796.35	8.49	346,203.96
1978	1,181,191.73	30.00	39,373.01	9.11	358,545.73
1979	1,286,895.89	30.00	42,896.47	9.76	418,460.25
1980	932,175.90	30.00	31,072.49	10.43	324,004.69
1981	1,506,643.47	30.00	50,221.38	11.12	558,606.40
1982	1,322,544.51	30.00	44,084.76	11.84	522,055.25
1983	2,305,779.69	30.00	76,859.22	12.58	966,947.74
1984	2,122,202.05	30.00	70,739.97	13.34	943,596.90
1985	1,926,061.65	30.00	64,201.97	14.12	906,361.20
1986	2,001,822.72	30.00	66,727.34	14.91	995,081.05
1987	1,538,869.37	30.00	51,295.58	15.73	806,628.29
1988	2,265,859.73	30.00	75,528.56	16.56	1,250,412.59
1989	2,191,106.86	30.00	73,036.80	17.40	1,270,916.68
1990	2,297,564.26	30.00	76,585.37	18.26	1,398,596.27
1991	2,458,386.57	30.00	81,946.11	19.14	1,568,335.56
1992	2,526,548.07	30.00	84,218.16	20.03	1,686,771.97
1993	3,091,006.46	30.00	103,033.41	20.93	2,156,668.44
1994	3,708,897.53	30.00	123,629.75	21.85	2,701,074.04

*Kentucky Utilities**KY, TN**369.00 SERVICES*

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1995	4,434,568.17	30.00	147,818.74	22.78	3,366,618.96
1996	4,579,761.32	30.00	152,658.51	23.71	3,619,992.51
1997	5,034,177.09	30.00	167,805.68	24.66	4,138,230.33
1998	5,126,845.73	30.00	170,894.63	25.62	4,377,776.26
1999	4,292,047.80	30.00	143,068.07	26.58	3,802,797.88
2000	3,712,131.21	30.00	123,737.54	27.55	3,409,081.50
2001	2,094,130.71	30.00	69,804.26	28.53	1,991,301.78
2002	3,009,836.83	30.00	100,327.76	29.51	2,960,455.76
Total	76,775,194.60	24.68	2,534,424.44	18.99	48,122,812.37

Composite Average Remaining Life ... 18.99 Years

Kentucky Utilities**KY, TN****370.00 METERS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 44**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	112,430.25	44.00	2,555.17	8.75	22,345.98
1942	8,835.65	44.00	200.81	9.11	1,830.27
1943	4,623.09	44.00	105.07	9.49	997.16
1944	14,983.57	44.00	340.53	9.87	3,361.97
1945	29,317.65	44.00	666.29	10.26	6,836.96
1946	42,598.78	44.00	968.13	10.66	10,315.60
1947	95,959.65	44.00	2,180.85	11.06	24,111.60
1948	81,244.44	44.00	1,846.42	11.46	21,166.36
1949	96,353.27	44.00	2,189.79	11.88	26,009.12
1950	205,046.84	44.00	4,660.04	12.30	57,309.09
1951	252,463.23	44.00	5,737.66	12.73	73,014.47
1952	238,264.50	44.00	5,414.97	13.16	71,260.32
1953	131,724.76	44.00	2,993.67	13.60	40,717.67
1954	199,864.70	44.00	4,542.27	14.05	63,819.62
1955	217,789.17	44.00	4,949.63	14.51	71,799.52
1956	167,056.32	44.00	3,796.64	14.97	56,832.60
1957	238,272.22	44.00	5,415.14	15.44	83,611.55
1958	318,605.20	44.00	7,240.85	15.92	115,264.23
1959	298,820.60	44.00	6,791.21	16.40	111,405.97
1960	308,196.64	44.00	7,004.29	16.90	118,357.66
1961	321,776.90	44.00	7,312.93	17.40	127,244.92
1962	353,012.71	44.00	8,022.82	17.91	143,682.45
1963	418,515.46	44.00	9,511.48	18.43	175,260.56
1964	444,919.48	44.00	10,111.55	18.95	191,633.05
1965	538,631.75	44.00	12,241.33	19.48	238,521.81
1966	486,760.26	44.00	11,062.46	20.03	221,535.18
1967	434,212.04	44.00	9,868.21	20.57	203,033.91

Kentucky Utilities***KY, TN******370.00 METERS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 44******Survivor Curve: R1***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1968	541,005.07	44.00	12,295.26	21.13	259,825.66
1969	632,055.01	44.00	14,364.53	21.70	311,665.46
1970	575,487.81	44.00	13,078.94	22.27	291,258.20
1971	752,078.33	44.00	17,092.26	22.85	390,544.37
1972	848,913.59	44.00	19,293.01	23.44	452,189.41
1973	937,356.94	44.00	21,303.04	24.03	511,981.53
1974	1,710,007.14	44.00	38,862.83	24.64	957,414.19
1975	680,186.22	44.00	15,458.39	25.25	390,250.46
1976	1,116,723.35	44.00	25,379.44	25.86	656,390.31
1977	1,881,234.39	44.00	42,754.26	26.49	1,132,410.25
1978	1,419,534.77	44.00	32,261.35	27.12	874,807.73
1979	1,734,541.30	44.00	39,420.41	27.75	1,094,046.17
1980	903,944.24	44.00	20,543.68	28.40	583,348.09
1981	820,751.12	44.00	18,652.97	29.04	541,743.20
1982	924,845.05	44.00	21,018.68	29.70	624,176.96
1983	1,421,249.14	44.00	32,300.31	30.36	980,488.39
1984	1,145,649.56	44.00	26,036.84	31.02	807,620.93
1985	1,110,111.09	44.00	25,229.17	31.69	799,404.67
1986	1,427,153.11	44.00	32,434.49	32.36	1,049,510.11
1987	1,368,948.46	44.00	31,111.69	33.03	1,027,723.76
1988	1,488,743.15	44.00	33,834.23	33.71	1,140,634.12
1989	1,327,679.33	44.00	30,173.78	34.39	1,037,823.32
1990	1,595,194.55	44.00	36,253.52	35.08	1,271,822.95
1991	1,548,674.78	44.00	35,196.28	35.77	1,258,997.10
1992	1,799,680.79	44.00	40,900.82	36.46	1,491,390.90
1993	1,464,910.83	44.00	33,292.60	37.16	1,237,156.65
1994	1,767,426.62	44.00	40,167.79	37.86	1,520,809.29

Kentucky Utilities***KY, TN******370.00 METERS***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

Average Service Life: 44***Survivor Curve: R1***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1995	2,171,620.05	44.00	49,353.77	38.57	1,903,386.29
1996	2,774,095.95	44.00	63,046.07	39.28	2,476,142.51
1997	2,634,888.25	44.00	59,882.33	39.99	2,394,601.14
1998	2,231,484.55	44.00	50,714.30	40.71	2,064,448.96
1999	1,692,724.88	44.00	38,470.06	41.43	1,593,828.15
2000	2,537,516.92	44.00	57,669.40	42.16	2,431,232.61
2001	2,497,249.26	44.00	56,754.25	42.89	2,434,288.87
2002	1,972,171.47	44.00	44,820.96	43.63	1,955,538.71
<i>Total</i>	<i>57,516,116.20</i>	<i>44.00</i>	<i>1,307,151.92</i>	<i>32.31</i>	<i>42,230,181.04</i>

Composite Average Remaining Life ... 32.31 Years

Kentucky Utilities**KY, TN****371.00 INSTALLATIONS ON CUST.S' PREMISES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 16**Survivor Curve: R0.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1962	977.47	0.00	0.00	0.00	0.00
1963	741.06	0.00	0.00	0.00	0.00
1968	262.24	0.00	0.00	0.00	0.00
1969	454.45	0.00	0.00	0.00	0.00
1972	417.81	16.00	26.11	0.81	21.27
1973	40,657.86	16.00	2,540.68	1.25	3,166.21
1974	1,910.93	16.00	119.41	1.68	200.16
1975	5,343.69	16.00	333.92	2.09	698.34
1976	140,808.29	16.00	8,799.00	2.49	21,948.00
1977	142,714.07	16.00	8,918.09	2.89	25,769.75
1978	23,274.17	16.00	1,454.38	3.28	4,774.73
1979	140,882.97	16.00	8,803.67	3.68	32,377.60
1980	54,311.80	16.00	3,393.90	4.08	13,836.88
1981	341,145.61	16.00	21,317.93	4.48	95,568.39
1982	322,623.54	16.00	20,160.50	4.90	98,752.75
1983	354,636.82	16.00	22,160.98	5.32	117,991.96
1984	312,136.63	16.00	19,505.18	5.76	112,393.25
1985	189,460.84	16.00	11,839.26	6.21	73,559.38
1986	355,498.36	16.00	22,214.82	6.68	148,346.66
1987	162,498.34	16.00	10,154.40	7.16	72,672.14
1988	190,470.71	16.00	11,902.37	7.65	91,054.58
1989	593,844.42	16.00	37,108.88	8.16	302,745.57
1990	573,857.95	16.00	35,859.94	8.68	311,286.86
1991	496,240.00	16.00	31,009.66	9.22	285,807.32
1992	841,843.00	16.00	52,606.12	9.77	513,738.72
1993	1,282,621.36	16.00	80,150.02	10.33	827,700.87
1994	1,343,334.35	16.00	83,943.93	10.90	914,848.96

Kentucky Utilities***KY, TN******371.00 INSTALLATIONS ON CUST.S' PREMISES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 16******Survivor Curve: R0.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1995	1,426,910.31	16.00	89,166.53	11.48	1,023,514.80
1996	1,661,239.48	16.00	103,809.58	12.07	1,252,597.28
1997	1,929,274.42	16.00	120,558.87	12.66	1,526,242.83
1998	2,082,037.70	16.00	130,104.93	13.26	1,724,858.64
1999	1,861,070.59	16.00	116,296.87	13.86	1,611,774.13
2000	434,582.54	16.00	27,156.73	14.47	392,828.35
2001	94,916.75	16.00	5,931.27	15.08	89,421.98
<i>Total</i>	17,403,000.53	14.12	1,087,347.93	10.75	11,690,498.38

Composite Average Remaining Life ... 10.75 Years

Kentucky Utilities**KY, TN****373.00 STREET LIGHTING & SINGAL SYSTEMS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 28**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	123,024.64	0.00	0.00	0.00	0.00
1942	4,296.23	0.00	0.00	0.00	0.00
1943	229.71	0.00	0.00	0.00	0.00
1944	1,261.39	0.00	0.00	0.00	0.00
1945	900.03	0.00	0.00	0.00	0.00
1946	4,216.03	0.00	0.00	0.00	0.00
1947	8,336.08	28.00	297.70	0.50	148.85
1948	16,081.73	28.00	574.32	0.69	393.74
1949	9,756.51	28.00	348.43	0.97	339.33
1950	7,740.03	28.00	276.42	1.30	358.65
1951	9,884.10	28.00	352.99	1.62	572.33
1952	9,231.71	28.00	329.69	1.92	634.11
1953	34,237.55	28.00	1,222.72	2.22	2,715.10
1954	31,387.89	28.00	1,120.95	2.51	2,815.05
1955	33,648.08	28.00	1,201.67	2.81	3,376.25
1956	43,727.07	28.00	1,561.62	3.11	4,854.88
1957	41,289.01	28.00	1,474.55	3.42	5,041.76
1958	53,203.56	28.00	1,900.05	3.73	7,092.93
1959	53,111.83	28.00	1,896.77	4.06	7,694.14
1960	55,570.09	28.00	1,984.56	4.39	8,711.40
1961	47,051.73	28.00	1,680.35	4.73	7,947.61
1962	104,839.28	28.00	3,744.10	5.08	19,020.30
1963	134,239.88	28.00	4,794.08	5.44	26,070.16
1964	181,043.50	28.00	6,465.57	5.81	37,536.92
1965	43,714.80	28.00	1,561.18	6.18	9,652.90
1966	311,853.04	28.00	11,137.14	6.57	73,169.17
1967	172,377.08	28.00	6,156.06	6.97	42,888.12

Kentucky Utilities**KY, TN****373.00 STREET LIGHTING & SINGAL SYSTEMS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 28**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1968	149,173.11	28.00	5,327.39	7.37	39,282.62
1969	192,380.48	28.00	6,870.44	7.79	53,529.23
1970	18,156.37	28.00	648.41	8.22	5,329.60
1971	183,062.67	28.00	6,537.68	8.66	56,606.91
1972	115,540.63	28.00	4,126.28	9.11	37,587.06
1973	206,765.29	28.00	7,384.16	9.57	70,676.38
1974	328,447.44	28.00	11,729.77	10.05	117,825.73
1975	219,035.37	28.00	7,822.36	10.53	82,377.50
1976	138,146.16	28.00	4,933.58	11.03	54,411.19
1977	208,451.73	28.00	7,444.39	11.54	85,903.53
1978	213,879.86	28.00	7,638.24	12.06	92,134.44
1979	1,130,273.21	28.00	40,365.19	12.60	508,494.35
1980	39,327.64	28.00	1,404.50	13.15	18,462.60
1981	1,165,968.15	28.00	41,639.96	13.71	570,685.88
1982	631,572.82	28.00	22,555.22	14.28	322,044.75
1983	267,664.76	28.00	9,559.05	14.86	142,069.09
1984	1,226,628.97	28.00	43,806.33	15.46	677,203.90
1985	222,035.19	28.00	7,929.49	16.07	127,398.03
1986	1,617,224.31	28.00	57,755.57	16.69	963,684.45
1987	1,155,929.99	28.00	41,281.47	17.31	714,784.24
1988	2,156,927.53	28.00	77,029.87	17.95	1,382,955.16
1989	642,346.53	28.00	22,939.98	18.60	426,721.81
1990	1,455,610.67	28.00	51,983.90	19.26	1,001,082.28
1991	1,944,715.60	28.00	69,451.19	19.92	1,383,577.36
1992	825,537.66	28.00	29,482.24	20.59	607,103.03
1993	891,777.21	28.00	31,847.84	21.27	677,359.11
1994	3,284,754.31	28.00	117,307.69	21.95	2,575,007.87

Kentucky Utilities**KY, TN****373.00 STREET LIGHTING & SINGAL SYSTEMS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 28**Survivor Curve: RI*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1995	1,634,344.83	28.00	58,366.99	22.64	1,321,321.20
1996	3,297,336.80	28.00	117,757.05	23.33	2,747,431.36
1997	2,368,085.87	28.00	84,570.92	24.03	2,032,245.75
1998	1,654,407.15	28.00	59,083.47	24.74	1,461,476.84
1999	3,471,037.90	28.00	123,960.40	25.45	3,154,514.74
2000	3,522,874.58	28.00	125,811.63	26.17	3,292,203.23
2001	2,692,525.27	28.00	96,157.55	26.90	2,586,173.29
2002	3,369,380.10	28.00	120,329.92	27.63	3,324,745.90
Total	44,177,578.74	25.29	1,572,921.02	20.96	32,975,444.16

Composite Average Remaining Life ... 20.96 Years

*Kentucky Utilities**KY, TN**390.10 STRUCT. & IMPROVE. TO OWNED PROPERTY**Original Cost Of Utility Plant In Service**And Development Of Composite Remaining Life as of December 31, 2002**Based Upon Broad Group/Remaining Life Procedure and Technique**Average Service Life: 50**Survivor Curve: R1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	28,688.67	50.00	573.77	11.35	6,509.71
1942	852.76	50.00	17.05	11.71	199.67
1944	1,640.00	50.00	32.80	12.46	408.57
1946	456.65	50.00	9.13	13.24	120.95
1947	68.39	50.00	1.37	13.65	18.67
1949	227.20	50.00	4.54	14.50	65.87
1950	2,473.03	50.00	49.46	14.93	738.65
1951	6,729.94	50.00	134.60	15.38	2,070.48
1952	13,672.55	50.00	273.45	15.84	4,331.89
1953	1,029.83	50.00	20.60	16.31	335.95
1955	9,171.73	50.00	183.43	17.28	3,170.03
1956	285,310.27	50.00	5,706.13	17.78	101,470.65
1957	383.81	50.00	7.68	18.29	140.43
1958	245,037.03	50.00	4,900.67	18.82	92,211.02
1959	18,527.58	50.00	370.55	19.35	7,169.36
1960	177,070.58	50.00	3,541.36	19.89	70,438.95
1961	21,138.34	50.00	422.76	20.44	8,642.37
1962	80,340.27	50.00	1,606.78	21.00	33,750.44
1963	114,039.07	50.00	2,280.75	21.58	49,211.88
1964	220,475.00	50.00	4,409.44	22.16	97,707.88
1965	82,991.70	50.00	1,659.81	22.75	37,760.75
1966	139,045.11	50.00	2,780.86	23.35	64,934.83
1967	25,396.02	50.00	507.91	23.96	12,169.77
1968	69,010.82	50.00	1,380.20	24.58	33,923.89
1969	76,219.86	50.00	1,524.38	25.21	38,424.19
1970	179,622.70	50.00	3,592.40	25.84	92,836.99
1971	149,759.61	50.00	2,995.15	26.49	79,332.74

*Kentucky Utilities**KY, TN**390.10 STRUCT. & IMPROVE. TO OWNED PROPERTY**Original Cost Of Utility Plant In Service**And Development Of Composite Remaining Life as of December 31, 2002**Based Upon Broad Group/Remaining Life Procedure and Technique**Average Service Life: 50**Survivor Curve: R1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1972	92,119.48	50.00	1,842.36	27.14	50,001.29
1973	1,691,431.97	50.00	33,828.17	27.80	940,436.92
1974	115,662.88	50.00	2,313.23	28.47	65,854.89
1975	115,585.05	50.00	2,311.67	29.14	67,373.29
1976	163,861.79	50.00	3,277.19	29.83	97,752.81
1977	49,774.80	50.00	995.48	30.52	30,380.85
1978	49,576.95	50.00	991.53	31.22	30,951.58
1979	44,785.18	50.00	895.69	31.92	28,590.66
1980	131,453.34	50.00	2,629.03	32.63	85,787.31
1981	1,865,856.05	50.00	37,316.61	33.35	1,244,418.17
1982	126,454.32	50.00	2,529.05	34.07	86,165.76
1983	644,092.96	50.00	12,881.68	34.80	448,269.92
1984	121,553.29	50.00	2,431.03	35.53	86,382.50
1985	236,160.25	50.00	4,723.14	36.27	171,321.97
1986	459,744.46	50.00	9,194.76	37.02	340,369.60
1987	1,389,105.74	50.00	27,781.73	37.77	1,049,252.52
1988	1,389,925.46	50.00	27,798.13	38.52	1,070,855.84
1989	5,587,695.02	50.00	111,752.36	39.28	4,389,890.82
1990	1,659,824.74	50.00	33,196.04	40.05	1,329,395.87
1991	782,872.00	50.00	15,657.22	40.82	639,067.19
1992	498,539.08	50.00	9,970.64	41.59	414,680.82
1993	710,124.03	50.00	14,202.28	42.37	601,736.21
1994	497,753.46	50.00	9,954.93	43.15	429,580.14
1995	2,222,298.48	50.00	44,445.36	43.94	1,952,961.19
1996	2,766,136.16	50.00	55,321.96	44.73	2,474,752.54
1997	269,263.69	50.00	5,385.20	45.53	245,194.77
1998	483,170.53	50.00	9,663.28	46.33	447,733.23

Kentucky Utilities***KY, TN******390.10 STRUCT. & IMPROVE. TO OWNED PROPERTY******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 50******Survivor Curve: R1.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	1,206,805.44	50.00	24,135.78	47.14	1,137,769.14
2000	641,715.10	50.00	12,834.12	47.95	615,420.11
2001	374,798.42	50.00	7,495.86	48.77	365,557.98
2002	6,000.75	50.00	120.01	49.59	5,951.30
<i>Total</i>	<i>28,343,519.39</i>	<i>50.00</i>	<i>566,862.56</i>	<i>38.43</i>	<i>21,781,953.75</i>

Composite Average Remaining Life ... 38.43 Years

Kentucky Utilities**KY, TN****390.20 IMPROVEMENTS TO LEASED PROPERTY****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 20**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1951	285.27	0.00	0.00	0.00	0.00
1954	172.93	0.00	0.00	0.00	0.00
1958	683.16	0.00	0.00	0.00	0.00
1960	815.64	0.00	0.00	0.00	0.00
1961	65.47	0.00	0.00	0.00	0.00
1962	15,146.20	0.00	0.00	0.00	0.00
1963	3,396.39	20.00	169.81	0.50	84.90
1966	623.09	20.00	31.15	1.27	39.59
1967	4,527.38	20.00	226.35	1.56	353.02
1969	1,934.00	20.00	96.69	2.15	207.50
1970	405.94	20.00	20.30	2.45	49.79
1971	6,887.47	20.00	344.35	2.77	952.93
1972	2,045.02	20.00	102.24	3.10	316.58
1973	131.45	20.00	6.57	3.44	22.58
1974	186.50	20.00	9.32	3.79	35.32
1975	2,382.88	20.00	119.14	4.15	494.73
1977	148.09	20.00	7.40	4.92	36.45
1978	3,924.94	20.00	196.23	5.33	1,045.97
1979	5,369.24	20.00	268.44	5.75	1,543.96
1980	1,523.97	20.00	76.19	6.19	471.49
1981	60,437.20	20.00	3,021.66	6.64	20,065.96
1982	5,135.37	20.00	256.75	7.11	1,825.38
1983	9,830.64	20.00	491.50	7.60	3,732.99
1984	2,962.72	20.00	148.13	8.10	1,199.45
1985	10,670.24	20.00	533.48	8.62	4,597.46
1986	4,221.73	20.00	211.07	9.16	1,932.39
1987	3,902.50	20.00	195.11	9.71	1,894.66

Kentucky Utilities**KY, TN****390.20 IMPROVEMENTS TO LEASED PROPERTY****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 20**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1988	4,433.34	20.00	221.65	10.28	2,279.15
1989	121,020.34	20.00	6,050.61	10.87	65,783.71
1990	2,419.83	20.00	120.98	11.48	1,388.55
1991	47,699.81	20.00	2,384.83	12.10	28,852.70
1992	1,038.61	20.00	51.93	12.73	661.18
1993	66,365.14	20.00	3,318.03	13.38	44,399.21
1994	81,445.31	20.00	3,072.06	14.04	43,131.81
1995	4,136.47	20.00	206.81	14.71	3,042.07
1996	19,897.44	20.00	994.80	15.39	15,306.93
1997	5,162.61	20.00	258.11	16.07	4,148.44
1998	20,578.83	20.00	1,028.87	16.77	17,249.21
1999	2,747.75	20.00	137.38	17.47	2,399.58
2000	113,747.39	20.00	5,686.98	18.18	103,375.56
Total	618,508.30	17.00	30,064.94	12.40	372,921.22

Composite Average Remaining Life ... 12.40 Years

Kentucky Utilities**KY, TN****391.10 OFFICE EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 15**Survivor Curve: L1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	9,063.97	15.00	604.21	6.57	3,970.95
1987	93,086.90	15.00	6,205.25	6.88	42,670.25
1988	133,154.59	15.00	8,876.19	7.19	63,832.68
1989	150,706.98	15.00	10,046.25	7.52	75,518.24
1990	185,956.97	15.00	12,396.04	7.85	97,362.33
1991	157,994.16	15.00	10,532.02	8.20	86,403.21
1992	95,830.84	15.00	6,388.16	8.57	54,721.79
1993	98,503.17	15.00	6,566.30	8.94	58,715.77
1994	144,257.04	15.00	9,616.29	9.33	89,744.87
1995	379,647.67	15.00	25,307.62	9.75	246,769.89
1996	220,710.35	15.00	14,712.73	10.22	150,329.29
1997	273,690.39	15.00	18,244.43	10.75	196,091.05
1998	216,120.26	15.00	14,406.75	11.35	163,570.16
1999	164,180.80	15.00	10,944.43	12.04	131,753.09
2000	3,643,247.37	15.00	242,861.85	12.80	3,108,805.41
2001	163,226.03	15.00	10,880.78	13.64	148,377.90
Total	6,129,377.49	15.00	408,589.32	11.55	4,718,636.89

Composite Average Remaining Life ... 11.55 Years

Kentucky Utilities**KY, TN****391.20 NON-PC COMPUTER EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 8**Survivor Curve: R4*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1997	289,197.01	8.00	36,149.29	2.82	101,965.12
1998	1,073,859.74	8.00	134,231.21	3.65	490,186.44
1999	4,411.54	8.00	551.44	4.56	2,514.72
2000	4,567,312.11	8.00	570,908.66	5.52	3,151,165.18
2001	1,689,360.77	8.00	211,168.12	6.50	1,373,610.49
2002	1,987,590.27	8.00	248,446.45	7.50	1,863,519.06
Total	9,611,731.44	8.00	1,201,455.16	5.81	6,982,961.01

Composite Average Remaining Life ... 5.81 Years

Kentucky Utilities**KY, TN****391.30 CASH PROCESSING EQUIPMENT**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 12**Survivor Curve: R4*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1997	369,383.94	12.00	30,782.12	6.61	203,337.83
Total	369,383.94	12.00	30,782.12	6.61	203,337.83

Composite Average Remaining Life ... 6.61 Years

Kentucky Utilities**KY, TN****393.00 STORES EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1971	781.28	30.00	26.04	5.39	140.40
1972	13,854.73	30.00	461.82	5.83	2,691.47
1973	12,258.61	30.00	408.62	6.30	2,573.28
1974	2,735.69	30.00	91.19	6.80	619.90
1975	14,602.75	30.00	486.76	7.33	3,567.73
1976	12,085.49	30.00	402.85	7.89	3,180.02
1977	8,014.13	30.00	267.14	8.49	2,266.97
1978	5,743.12	30.00	191.44	9.11	1,743.30
1979	2,400.35	30.00	80.01	9.76	780.52
1980	4,362.73	30.00	145.42	10.43	1,516.39
1982	29,533.66	30.00	984.45	11.84	11,657.98
1983	7,055.62	30.00	235.19	12.58	2,958.83
1984	7,696.28	30.00	256.54	13.34	3,422.00
1985	5,098.61	30.00	169.95	14.12	2,399.29
1986	45,796.98	30.00	1,526.56	14.91	22,765.11
1987	22,481.10	30.00	749.37	15.73	11,783.91
1988	4,665.10	30.00	155.50	16.56	2,574.43
1989	44,238.60	30.00	1,474.62	17.40	25,659.90
1990	42,573.83	30.00	1,419.13	18.26	25,915.97
1991	15,526.03	30.00	517.53	19.14	9,904.88
1992	41,482.56	30.00	1,382.75	20.03	27,694.55
1993	12,139.99	30.00	404.67	20.93	8,470.36
1994	50,376.01	30.00	1,679.20	21.85	36,687.27
1995	48,369.69	30.00	1,612.32	22.78	36,721.12
1996	90,669.28	30.00	3,022.31	23.71	71,667.95
1997	863.62	30.00	28.79	24.66	709.92
1998	2,666.55	30.00	88.88	25.62	2,276.95

Kentucky Utilities***KY, TN******393.00 STORES EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 30******Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	15,682.36	30.00	522.74	26.58	13,894.73
<i>Total</i>	<i>563,754.75</i>	<i>30.00</i>	<i>18,791.80</i>	<i>17.89</i>	<i>336,245.14</i>

Composite Average Remaining Life ... 17.89 Years

Kentucky Utilities**KY, TN****394.00 TOOLS, SHOP AND GARAGE EQUIPMENT**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 30**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1971	5,793.46	30.00	193.11	6.52	1,259.01
1972	9,111.71	30.00	303.72	6.95	2,110.33
1973	5,306.62	30.00	176.89	7.41	1,310.22
1974	17,942.81	30.00	598.09	7.89	4,721.50
1975	112,896.79	30.00	3,763.20	8.41	31,647.62
1976	16,111.03	30.00	537.03	8.95	4,808.87
1977	34,358.44	30.00	1,145.27	9.52	10,908.44
1978	41,929.43	30.00	1,397.64	10.12	14,144.21
1979	26,817.79	30.00	893.92	10.74	9,601.69
1980	53,690.55	30.00	1,789.67	11.38	20,372.81
1981	42,949.37	30.00	1,431.64	12.05	17,247.16
1982	69,202.56	30.00	2,306.74	12.73	29,370.58
1983	89,529.82	30.00	2,984.31	13.44	40,096.79
1984	59,279.55	30.00	1,975.97	14.16	27,974.36
1985	55,313.67	30.00	1,843.78	14.90	27,467.48
1986	28,101.58	30.00	936.71	15.65	14,662.56
1987	157,174.10	30.00	5,239.11	16.42	86,051.68
1988	81,087.84	30.00	2,702.91	17.21	46,525.78
1989	73,644.09	30.00	2,454.79	18.02	44,224.31
1990	34,433.84	30.00	1,147.79	18.83	21,615.18
1991	77,589.90	30.00	2,586.32	19.66	50,855.50
1992	265,810.73	30.00	8,860.31	20.51	181,698.00
1993	44,983.76	30.00	1,499.45	21.36	32,032.85
1994	150,241.12	30.00	5,008.01	22.23	111,337.60
1995	116,668.76	30.00	3,888.94	23.11	89,878.67
1996	324,376.27	30.00	10,812.48	24.00	259,513.91
1997	271,704.85	30.00	9,056.78	24.90	225,530.65

Kentucky Utilities***KY, TN******394.00 TOOLS, SHOP AND GARAGE EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 30******Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	177,279.49	30.00	5,909.28	25.81	152,525.22
1999	350,551.27	30.00	11,684.98	26.73	312,326.19
2000	238,317.08	30.00	7,943.86	27.66	219,687.73
2001	261,033.80	30.00	8,701.08	28.59	248,747.24
2002	131,757.67	30.00	4,391.90	29.53	129,682.93
<i>Total</i>	<i>3,424,989.75</i>	<i>30.00</i>	<i>114,165.68</i>	<i>21.63</i>	<i>2,469,937.06</i>

Composite Average Remaining Life ... 21.63 Years

Kentucky Utilities***KY, TN******395.00 LABORATORY EQUIPMENT***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 27**Survivor Curve: L3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1974	2,144.35	27.00	79.42	7.87	624.80
1975	16,349.93	27.00	605.56	8.03	4,863.61
1976	32,938.23	27.00	1,219.95	8.20	10,001.38
1977	7,317.92	27.00	271.04	8.38	2,270.19
1978	28,297.86	27.00	1,048.08	8.58	8,987.40
1979	16,552.47	27.00	613.06	8.80	5,397.72
1980	40,687.52	27.00	1,506.97	9.08	13,676.62
1981	35,259.49	27.00	1,305.92	9.40	12,270.50
1982	26,460.68	27.00	980.04	9.78	9,580.35
1983	19,457.86	27.00	720.67	10.22	7,364.13
1984	21,785.64	27.00	806.89	10.73	8,654.30
1985	12,933.80	27.00	479.04	11.30	5,414.94
1986	28,543.69	27.00	1,057.19	11.95	12,630.31
1987	91,660.54	27.00	3,394.88	12.65	42,946.18
1988	98,860.20	27.00	3,661.54	13.41	49,083.35
1989	160,083.21	27.00	5,929.09	14.21	84,232.94
1990	34,966.57	27.00	1,295.08	15.04	19,482.95
1991	70,931.24	27.00	2,627.12	15.91	41,793.88
1992	1,041,837.65	27.00	38,587.10	16.80	648,201.15
1993	303,859.55	27.00	11,254.21	17.71	199,292.01
1994	111,744.10	27.00	4,138.73	18.64	77,131.38
1995	221,185.27	27.00	8,192.16	19.58	160,417.13
1996	223,467.07	27.00	8,276.67	20.54	170,033.32
1997	166,509.96	27.00	6,167.12	21.52	132,712.51
1998	206,110.49	27.00	7,633.82	22.51	171,806.48
1999	80,661.08	27.00	2,987.49	23.50	70,208.26
2000	156,845.72	27.00	5,809.18	24.50	142,322.96

Kentucky Utilities**KY, TN****395.00 LABORATORY EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 27**Survivor Curve: L3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2001	11,750.50	27.00	435.21	25.50	11,097.69
Total	3,269,202.59	27.00	121,083.20	17.53	2,122,498.42

Composite Average Remaining Life ... 17.53 Years

Kentucky Utilities***KY, TN******396.00 POWER OPERATED EQUIPEMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 18******Survivor Curve: S5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1987	9,513.39	18.00	528.50	3.00	1,584.68
1989	22,970.07	18.00	1,276.07	4.59	5,855.63
1990	29,959.36	18.00	1,664.35	5.53	9,197.59
1994	48,703.62	18.00	2,705.66	9.50	25,705.49
1995	55,895.36	18.00	3,105.19	10.50	32,606.43
1996	3,001.20	18.00	166.73	11.50	1,917.47
1997	6,098.00	18.00	338.77	12.50	4,234.79
1999	3,705.14	18.00	205.83	14.50	2,984.72
2000	20,831.00	18.00	1,157.24	15.50	17,937.91
<i>Total</i>	<i>200,677.14</i>	<i>18.00</i>	<i>11,148.34</i>	<i>9.15</i>	<i>102,024.70</i>

Composite Average Remaining Life ... 9.15 Years

Kentucky Utilities**KY, TN****397.10 CARRIER COMMUNICATION EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 19**Survivor Curve: S6*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1984	2,676.40	19.00	140.87	1.38	194.76
1985	156,393.02	19.00	8,231.44	1.91	15,681.64
1986	81,837.06	19.00	4,307.33	2.63	11,338.43
1987	96,161.53	19.00	5,061.28	3.53	17,847.99
1988	121,626.70	19.00	6,401.58	4.50	28,825.72
1990	22,908.44	19.00	1,205.74	6.50	7,836.68
1991	21,466.96	19.00	1,129.87	7.50	8,473.44
1992	6,121.05	19.00	322.17	8.50	2,738.27
1993	38,508.20	19.00	2,026.80	9.50	19,253.56
1994	5,242.92	19.00	275.95	10.50	2,897.34
1996	277,776.40	19.00	14,620.22	12.50	182,744.97
1997	63,497.37	19.00	3,342.06	13.50	45,116.04
1998	20,966.19	19.00	1,103.51	14.50	16,000.37
1999	640,364.22	19.00	33,704.33	15.50	522,399.08
2000	292,524.67	19.00	15,396.47	16.50	254,033.50
2001	358,936.08	19.00	18,891.90	17.50	330,598.23
2002	732,739.50	19.00	38,566.32	18.50	713,456.34
Total	2,939,746.71	19.00	154,727.85	14.09	2,179,436.36

Composite Average Remaining Life ... 14.09 Years

Kentucky Utilities**KY, TN****397.20 REMOTE CONTROL COMMUNICATION EQ.****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 20**Survivor Curve: L5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1983	15,517.65	20.00	775.86	2.80	2,170.52
1984	48,622.38	20.00	2,431.06	3.12	7,576.95
1985	128,455.03	20.00	6,422.58	3.60	23,128.23
1986	26,279.88	20.00	1,313.96	4.23	5,556.87
1987	38,652.79	20.00	1,932.59	4.97	9,609.55
1988	13,389.97	20.00	669.48	5.78	3,870.68
1989	24,045.21	20.00	1,202.23	6.65	7,991.99
1990	2,925.37	20.00	146.26	7.56	1,105.93
1991	11,572.68	20.00	578.62	8.52	4,929.27
1992	194,075.71	20.00	9,703.53	9.50	92,215.87
1993	3,190.61	20.00	159.53	10.50	1,675.13
1994	35,052.23	20.00	1,752.57	11.50	20,155.42
1995	50,757.87	20.00	2,537.83	12.50	31,724.16
1996	33,913.76	20.00	1,695.64	13.50	22,892.07
1997	22,542.17	20.00	1,127.08	14.50	16,343.23
1998	55,121.82	20.00	2,756.02	15.50	42,719.73
1999	244,603.17	20.00	12,229.84	16.50	201,798.73
2000	2,341,878.18	20.00	117,090.87	17.50	2,049,151.00
2001	439,041.36	20.00	21,951.50	18.50	406,114.11
Total	3,729,637.84	20.00	186,477.08	15.82	2,950,729.44

Composite Average Remaining Life ... 15.82 Years

Kentucky Utilities**KY, TN****397.30 MOBILE COMMUNICATION EQUIP.****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 18**Survivor Curve: S5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1983	9,374.75	18.00	520.80	1.29	673.86
1985	65,706.57	18.00	3,650.24	1.93	7,040.96
1986	6,007.46	18.00	333.74	2.40	800.16
1987	1,761.53	18.00	97.86	3.00	293.42
1989	15,537.37	18.00	863.16	4.59	3,960.85
1990	4,176.13	18.00	232.00	5.53	1,282.08
1991	3,743.87	18.00	207.99	6.51	1,353.12
1992	9,722.12	18.00	540.10	7.50	4,051.48
1993	4,014.19	18.00	223.00	8.50	1,895.68
1994	17,824.52	18.00	990.22	9.50	9,407.68
1995	125,346.53	18.00	6,963.46	10.50	73,120.61
1996	21,697.08	18.00	1,205.35	11.50	13,862.29
2000	3,941,978.30	18.00	218,991.22	15.50	3,394,500.25
2002	112,151.97	18.00	6,230.45	17.50	109,036.75
Total	4,339,042.39	18.00	241,049.57	15.02	3,621,279.19

Composite Average Remaining Life ... 15.02 Years

Kentucky Utilities**KY, TN****398.00 MISCELLANEOUS EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 19**Survivor Curve: L1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	4,250.86	19.00	223.72	8.86	1,981.30
1987	31,237.15	19.00	1,644.00	9.15	15,046.61
1988	39,018.63	19.00	2,053.53	9.47	19,441.42
1989	15,405.68	19.00	810.79	9.81	7,951.56
1990	7,443.08	19.00	391.73	10.18	3,987.06
1991	6,315.68	19.00	332.39	10.59	3,518.99
1992	21,218.44	19.00	1,116.72	11.04	12,329.57
1993	21,685.30	19.00	1,141.29	11.55	13,179.04
1994	55,013.73	19.00	2,895.35	12.11	35,074.55
1995	40,396.76	19.00	2,126.07	12.74	27,093.53
1996	33,931.28	19.00	1,785.79	13.43	23,981.92
1997	77,329.92	19.00	4,069.84	14.16	57,646.40
1998	75,104.15	19.00	3,952.70	14.95	59,076.36
1999	12,517.05	19.00	658.77	15.78	10,392.54
2001	117.81	19.00	6.20	17.57	108.92
Total	440,985.52	19.00	23,208.89	12.53	290,809.75

Composite Average Remaining Life ... 12.53 Years

Kentucky Utilities**VA****350.10 TRANSMISSION LAND RIGHTS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 50**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1942	1,415,488.48	50.00	28,309.70	8.05	227,849.72
1947	1,544.66	50.00	30.89	9.69	299.33
1971	84,164.97	50.00	1,683.30	23.11	38,900.64
1986	159.92	50.00	3.20	35.03	112.05
1992	280,397.12	50.00	5,607.93	40.30	226,005.52
1995	275.73	50.00	5.51	43.02	237.23
Total	1,782,030.88	50.00	35,640.53	13.84	493,404.49

Composite Average Remaining Life ... 13.84 Years

*Kentucky Utilities**VA**352.10 STRUCTURES & IMPROVE. NON-SYS. CONTROL/COM**Original Cost Of Utility Plant In Service**And Development Of Composite Remaining Life as of December 31, 2002**Based Upon Broad Group/Remaining Life Procedure and Technique**Average Service Life: 45**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1940	8,528.63	45.00	189.53	3.36	637.24
1947	552.82	45.00	12.28	5.21	64.06
1951	5,482.79	45.00	121.84	6.46	787.29
1952	354.14	45.00	7.87	6.81	53.61
1954	118.46	45.00	2.63	7.57	19.92
1956	5,584.01	45.00	124.09	8.40	1,042.60
1960	232.54	45.00	5.17	10.32	53.34
1961	13,229.40	45.00	293.99	10.86	3,191.26
1964	24.23	45.00	0.54	12.57	6.77
1965	5,629.15	45.00	125.09	13.19	1,649.65
1966	471.61	45.00	10.48	13.82	144.81
1968	2,053.38	45.00	45.63	15.13	690.33
1969	1,842.35	45.00	40.94	15.81	647.33
1970	3,381.16	45.00	75.14	16.51	1,240.32
1971	13,246.19	45.00	294.36	17.22	5,068.35
1973	12,624.73	45.00	280.55	18.68	5,241.11
1974	2,514.38	45.00	55.88	19.44	1,085.98
1975	9,664.97	45.00	214.78	20.20	4,338.66
1977	28,057.85	45.00	623.51	21.77	13,572.02
1978	1,763.50	45.00	39.19	22.57	884.49
1979	247.19	45.00	5.49	23.38	128.44
1980	2,009.38	45.00	44.65	24.21	1,080.90
1981	650.33	45.00	14.45	25.04	361.90
1982	594,665.32	45.00	13,214.78	25.89	342,090.19
1983	197.37	45.00	4.39	26.74	117.30
1987	86,598.26	45.00	1,924.40	30.27	58,246.68
1988	5,804.15	45.00	128.98	31.17	4,020.44

Kentucky Utilities***VA******352.10 STRUCTURES & IMPROVE. NON-SYS. CONTROL/COM******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 45**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1990	41,783.61	45.00	928.52	33.00	30,643.23
1992	10,381.21	45.00	230.69	34.86	8,043.02
1995	181,738.84	45.00	4,038.64	37.71	152,281.89
1996	1,100.26	45.00	24.45	38.67	945.38
1998	9,415.27	45.00	209.23	40.60	8,494.09
2000	333.30	45.00	7.41	42.55	315.12
Total	1,050,280.78	45.00	23,339.56	27.73	647,187.70

Composite Average Remaining Life ... 27.73 Years

Kentucky Utilities**Virginia****353.10 STATION EQ.-NON SYS. CONTROL/COM****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 50**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1940	102,203.42	50.00	2,044.06	7.48	15,289.55
1941	10.50	50.00	0.21	7.76	1.63
1942	15,534.26	50.00	310.68	8.05	2,500.53
1943	118.18	50.00	2.36	8.35	19.73
1944	746.57	50.00	14.93	8.66	129.35
1945	1,436.01	50.00	28.72	8.99	258.20
1946	6,713.33	50.00	134.27	9.33	1,252.99
1947	32,536.27	50.00	650.72	9.69	6,305.00
1949	616.66	50.00	12.33	10.45	128.90
1950	10,790.54	50.00	215.81	10.86	2,343.34
1951	24,980.78	50.00	499.61	11.28	5,636.71
1952	106.89	50.00	2.14	11.72	25.06
1953	4,442.00	50.00	88.84	12.18	1,082.25
1954	82,225.92	50.00	1,644.51	12.66	20,816.79
1955	5,188.93	50.00	103.78	13.15	1,364.89
1956	48,659.23	50.00	973.18	13.66	13,296.30
1957	49.28	50.00	0.99	14.19	13.99
1958	4,767.40	50.00	95.35	14.73	1,404.91
1959	54,959.01	50.00	1,099.18	15.29	16,811.82
1960	14,886.80	50.00	297.74	15.87	4,725.34
1961	12,276.58	50.00	245.53	16.46	4,041.99
1962	2,661.97	50.00	53.24	17.07	908.70
1963	11,094.49	50.00	221.89	17.69	3,924.90
1964	43,091.08	50.00	861.82	18.32	15,790.82
1965	159,949.99	50.00	3,198.99	18.97	60,685.00
1966	1,764.49	50.00	35.29	19.63	692.75
1967	73,142.58	50.00	1,462.85	20.30	29,700.08

Kentucky Utilities**Virginia****353.10 STATION EQ.-NON SYS. CONTROL/COM****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 50****Survivor Curve: R2.5**

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1968	5,874.45	50.00	117.49	20.99	2,465.80
1969	8,316.64	50.00	166.33	21.68	3,606.72
1970	176,078.78	50.00	3,521.57	22.39	78,852.63
1971	195,209.65	50.00	3,904.18	23.11	90,224.96
1972	580.24	50.00	11.60	23.84	276.65
1973	154,274.19	50.00	3,085.48	24.58	75,836.04
1974	145,374.28	50.00	2,907.48	25.33	73,640.52
1975	148,965.66	50.00	2,979.31	26.09	77,722.37
1976	72,473.59	50.00	1,449.47	26.86	38,927.63
1977	678,043.12	50.00	13,560.83	27.63	374,753.46
1978	69,732.43	50.00	1,394.65	28.42	39,639.61
1979	8,806.57	50.00	176.13	29.22	5,146.45
1980	119,715.80	50.00	2,394.31	30.03	71,889.17
1981	255,200.93	50.00	5,104.01	30.84	157,403.26
1982	1,661,084.82	50.00	33,221.61	31.66	1,051,853.20
1983	53,698.63	50.00	1,073.97	32.49	34,895.93
1984	124,104.97	50.00	2,482.09	33.33	82,731.12
1985	12,708.78	50.00	254.17	34.18	8,687.11
1986	101,398.31	50.00	2,027.96	35.03	71,042.93
1987	5,552,029.34	50.00	111,040.31	35.89	3,985,573.93
1988	7,683.43	50.00	153.67	36.76	5,649.07
1989	198,910.84	50.00	3,978.21	37.64	149,726.57
1990	941,357.07	50.00	18,827.09	38.52	725,192.39
1991	59,789.71	50.00	1,195.79	39.41	47,122.25
1992	157,793.61	50.00	3,155.86	40.30	127,184.71
1993	9,591.39	50.00	191.83	41.20	7,903.53
1994	39,714.96	50.00	794.30	42.11	33,445.53

Kentucky Utilities**Virginia****353.10 STATION EQ.-NON SYS. CONTROL/COM****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 50**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1995	92,207.02	50.00	1,844.14	43.02	79,331.52
1996	857,100.28	50.00	17,141.96	43.93	753,125.21
1997	159,682.97	50.00	3,193.65	44.86	143,253.91
1998	5,354.96	50.00	107.10	45.78	4,903.17
1999	243.56	50.00	4.87	46.71	227.54
2000	323,518.91	50.00	6,470.36	47.65	308,291.08
2001	22,618.27	50.00	452.36	48.59	21,978.22
2002	808,981.13	50.00	16,179.58	49.53	801,335.67
Total	13,943,172.45	50.00	278,862.76	34.94	9,742,991.38

Composite Average Remaining Life ... 34.94 Years

Kentucky Utilities***VA******354.00 TOWERS AND FIXTURES***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 55**Survivor Curve: R4*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	14,017.44	55.00	254.86	5.56	1,415.76
1962	108,283.98	55.00	1,968.79	17.28	34,016.50
1970	45,981.50	55.00	836.02	23.73	19,840.24
1976	234,433.68	55.00	4,262.41	29.08	123,940.74
1980	259,791.74	55.00	4,723.46	32.82	155,031.03
1982	71,937.19	55.00	1,307.94	34.73	45,429.89
1986	4,769,322.87	55.00	86,714.57	38.62	3,348,586.52
1988	1,235,327.61	55.00	22,460.40	40.58	911,427.76
Total	6,739,096.01	55.00	122,528.46	37.87	4,639,688.44

Composite Average Remaining Life ... 37.87 Years

Kentucky Utilities**VA****355.00 POLES AND FIXTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 43**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	24,316.47	43.00	565.49	4.53	2,562.62
1942	996.25	43.00	23.17	4.76	110.34
1943	8,598.12	43.00	199.95	4.99	997.77
1944	3,598.57	43.00	83.69	5.23	437.51
1945	1,084.71	43.00	25.23	5.47	138.02
1946	225.68	43.00	5.25	5.71	29.99
1947	5,938.85	43.00	138.11	5.97	824.49
1948	2,205.58	43.00	51.29	6.23	319.72
1949	515.89	43.00	12.00	6.50	78.01
1950	245.34	43.00	5.71	6.79	38.72
1951	3,399.84	43.00	79.07	7.08	559.97
1952	2,541.73	43.00	59.11	7.39	436.87
1953	747.70	43.00	17.39	7.72	134.17
1954	1,170.07	43.00	27.21	8.06	219.28
1955	849.23	43.00	19.75	8.42	166.26
1956	712.66	43.00	16.57	8.80	145.80
1960	699.36	43.00	16.26	10.51	170.93
1961	17,893.16	43.00	416.12	10.99	4,572.30
1962	23,856.00	43.00	554.79	11.49	6,373.80
1963	1,380.60	43.00	32.11	12.01	385.51
1964	6,714.69	43.00	156.15	12.54	1,958.88
1965	43,393.70	43.00	1,009.15	13.10	13,223.48
1966	410.67	43.00	9.55	13.68	130.64
1967	34,599.60	43.00	804.64	14.27	11,482.87
1968	29,744.37	43.00	691.72	14.88	10,294.92
1969	522.24	43.00	12.15	15.51	188.36
1970	193,527.41	43.00	4,500.60	16.15	72,687.50

Kentucky Utilities***VA******355.00 POLES AND FIXTURES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 43**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1971	89,141.04	43.00	2,073.03	16.81	34,847.12
1972	76,798.25	43.00	1,785.99	17.48	31,221.38
1973	10,958.13	43.00	254.84	18.17	4,629.49
1974	2,150.67	43.00	50.02	18.87	943.65
1975	206,617.02	43.00	4,805.01	19.58	94,077.76
1976	222,766.02	43.00	5,180.56	20.30	105,182.25
1977	76,819.75	43.00	1,786.49	21.04	37,590.52
1978	490,639.25	43.00	11,410.13	21.79	248,626.52
1979	147,272.13	43.00	3,424.91	22.55	77,230.39
1980	172,369.54	43.00	4,008.56	23.32	93,488.47
1981	121,104.74	43.00	2,816.37	24.10	67,886.36
1982	200,726.11	43.00	4,668.01	24.90	116,217.63
1983	77,032.74	43.00	1,791.45	25.70	46,041.61
1984	204,970.00	43.00	4,766.71	26.51	126,383.90
1985	82,740.79	43.00	1,924.19	27.34	52,600.55
1986	142,379.57	43.00	3,311.13	28.17	93,274.01
1987	217,178.06	43.00	5,050.61	29.01	146,525.56
1988	318,281.89	43.00	7,401.85	29.86	221,031.71
1989	40,596.57	43.00	944.10	30.72	29,004.29
1990	51,723.82	43.00	1,202.87	31.59	37,997.53
1991	35,175.78	43.00	818.04	32.46	26,556.88
1992	20,445.75	43.00	475.48	33.35	15,856.25
1993	4,739.43	43.00	110.22	34.24	3,773.69
1994	3,921.99	43.00	91.21	35.14	3,204.65
1995	144,373.92	43.00	3,357.51	36.04	121,004.65
1996	27,420.09	43.00	637.67	36.95	23,562.19
1997	72,443.44	43.00	1,684.72	37.87	63,794.45

Kentucky Utilities***VA******355.00 POLES AND FIXTURES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 43******Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	139,944.33	43.00	3,254.49	38.79	126,238.57
1999	74,831.41	43.00	1,740.25	39.72	69,116.50
2000	276,687.14	43.00	6,434.53	40.65	261,555.51
2001	529,346.41	43.00	12,310.29	41.59	511,938.59
2002	555,179.15	43.00	12,911.04	42.53	549,080.01
<i>Total</i>	5,246,663.42	43.00	122,014.48	29.25	3,569,151.38

Composite Average Remaining Life ... 29.25 Years

**Kentucky Utilities
Virginia**

356.00 OVERHEAD CONDUCTORS AND DEVICES

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

Average Service Life: 50

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	65,843.69	50.00	1,316.87	5.84	7,692.69
1942	74.74	50.00	1.49	6.13	9.17
1943	16,912.68	50.00	338.25	6.44	2,177.84
1944	139.23	50.00	2.78	6.75	18.81
1945	3,408.73	50.00	68.17	7.08	483.01
1946	3,852.61	50.00	77.05	7.43	572.49
1947	23,487.91	50.00	469.76	7.79	3,659.75
1948	389.04	50.00	7.78	8.17	63.56
1949	8,892.06	50.00	177.84	8.56	1,522.90
1950	85.92	50.00	1.72	8.98	15.42
1951	2,111.56	50.00	42.23	9.41	397.31
1952	560.36	50.00	11.21	9.86	110.48
1953	134.80	50.00	2.70	10.33	27.84
1954	59,955.50	50.00	1,199.11	10.82	12,970.02
1955	4,319.96	50.00	86.40	11.32	978.39
1956	391.51	50.00	7.83	11.85	92.79
1960	2,990.33	50.00	59.81	14.14	845.65
1961	16,720.79	50.00	334.42	14.76	4,934.50
1962	118,524.51	50.00	2,370.49	15.39	36,476.43
1963	6,353.38	50.00	127.07	16.04	2,037.61
1964	7,485.44	50.00	149.71	16.70	2,499.95
1965	21,361.10	50.00	427.22	17.38	7,423.61
1966	4,004.40	50.00	80.09	18.07	1,447.05
1967	55,856.97	50.00	1,117.14	18.77	20,972.78
1968	63,844.72	50.00	1,276.89	19.49	24,889.30
1969	10,141.60	50.00	202.83	20.22	4,101.89
1970	604,359.38	50.00	12,087.18	20.97	253,423.57

**Kentucky Utilities
Virginia**

356.00 OVERHEAD CONDUCTORS AND DEVICES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2002

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 50

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1971	175,265.71	50.00	3,505.31	21.72	76,140.09
1972	116,201.35	50.00	2,324.03	22.49	52,262.35
1973	16,724.93	50.00	334.50	23.27	7,782.29
1974	3,213.60	50.00	64.27	24.05	1,546.01
1975	308,707.49	50.00	6,174.15	24.85	153,448.15
1976	600,706.81	50.00	12,014.13	25.66	308,318.20
1977	166,581.22	50.00	3,331.62	26.48	88,230.59
1978	1,046,307.35	50.00	20,926.14	27.31	571,545.75
1979	180,210.47	50.00	3,604.21	28.15	101,465.78
1980	197,113.51	50.00	3,942.27	29.00	114,329.96
1981	40,934.96	50.00	818.70	29.86	24,445.83
1982	166,718.37	50.00	3,334.37	30.73	102,454.20
1983	53,277.66	50.00	1,065.55	31.60	33,674.57
1984	238,931.18	50.00	4,778.62	32.49	155,246.04
1985	28,095.50	50.00	561.91	33.38	18,756.88
1986	3,378,075.65	50.00	67,561.49	34.28	2,316,110.48
1987	473,258.78	50.00	9,465.17	35.19	333,080.48
1988	2,187,579.78	50.00	43,751.58	36.11	1,579,696.89
1989	4,580.42	50.00	91.61	37.03	3,392.17
1990	3,044.47	50.00	60.89	37.96	2,311.28
1991	9,026.53	50.00	180.53	38.89	7,021.66
1992	5,039.52	50.00	100.79	39.84	4,015.14
1993	768.26	50.00	15.37	40.78	626.65
1994	1,240.05	50.00	24.80	41.74	1,035.12
1995	94,304.14	50.00	1,886.08	42.69	80,525.46
1996	35,814.34	50.00	716.29	43.66	31,270.81
1997	41,453.20	50.00	829.06	44.62	36,995.59

Kentucky Utilities**Virginia****356.00 OVERHEAD CONDUCTORS AND DEVICES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 50****Survivor Curve: R3**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
1998	80,721.77	50.00	1,614.43	45.59	73,608.09
1999	69,179.40	50.00	1,383.59	46.57	64,430.42
2000	305,193.09	50.00	6,103.86	47.54	290,206.98
2001	70,620.95	50.00	1,412.42	48.52	68,537.53
2002	404,378.78	50.00	8,087.57	49.51	400,397.29
Total	11,605,472.16	50.00	232,109.35	32.28	7,492,753.53

Composite Average Remaining Life ... 32.28 Years

Kentucky Utilities**VA****360.10 DISTRIBUTION LAND RIGHTS**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 50**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1942	30,929.25	50.00	618.58	8.05	4,978.65
1962	1,070.68	50.00	21.41	17.07	365.49
1965	1,074.57	50.00	21.49	18.97	407.69
1972	6,541.95	50.00	130.84	23.84	3,119.05
1979	7,482.77	50.00	149.66	29.22	4,372.84
1981	2,036.21	50.00	40.72	30.84	1,255.90
1994	31,127.38	50.00	622.55	42.11	26,213.59
1995	2,153.69	50.00	43.07	43.02	1,852.96
1996	723.76	50.00	14.48	43.93	635.96
1997	257.65	50.00	5.15	44.86	231.14
1998	182.22	50.00	3.64	45.78	166.85
Total	83,580.13	50.00	1,671.60	26.08	43,600.12

Composite Average Remaining Life... 26.08 Years

Kentucky Utilities***VA******361.00 STRUCTURES AND IMPROVEMENTS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 50**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1940	238.90	50.00	4.78	7.48	35.74
1941	591.37	50.00	11.83	7.76	91.77
1942	18.84	50.00	0.38	8.05	3.03
1944	25.15	50.00	0.50	8.66	4.36
1948	889.80	50.00	17.80	10.06	179.07
1951	398.87	50.00	7.98	11.28	90.00
1953	310.97	50.00	6.22	12.18	75.77
1955	141.21	50.00	2.82	13.15	37.14
1957	2,577.91	50.00	51.56	14.19	731.63
1958	1,637.98	50.00	32.76	14.73	482.70
1960	1,303.15	50.00	26.06	15.87	413.64
1961	250.42	50.00	5.01	16.46	82.45
1962	691.67	50.00	13.83	17.07	236.11
1963	2,098.32	50.00	41.97	17.69	742.32
1965	1,279.35	50.00	25.59	18.97	485.39
1967	247.63	50.00	4.95	20.30	100.55
1968	1,452.65	50.00	29.05	20.99	609.75
1971	22,717.94	50.00	454.36	23.11	10,500.12
1972	2,532.26	50.00	50.65	23.84	1,207.32
1973	1,304.40	50.00	26.09	24.58	641.20
1974	1,091.57	50.00	21.83	25.33	552.94
1975	9,969.03	50.00	199.38	26.09	5,201.31
1976	12,863.96	50.00	257.28	26.86	6,909.60
1977	23,318.86	50.00	466.38	27.63	12,888.30
1978	5,322.95	50.00	106.46	28.42	3,025.85
1979	32,216.22	50.00	644.32	29.22	18,826.76
1980	10,773.39	50.00	215.47	30.03	6,469.41

Kentucky Utilities***VA******361.00 STRUCTURES AND IMPROVEMENTS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 50**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1981	25,710.20	50.00	514.20	30.84	15,857.58
1982	7,698.89	50.00	153.98	31.66	4,875.19
1983	6,671.72	50.00	133.43	32.49	4,335.60
1985	756.47	50.00	15.13	34.18	517.09
1989	95.33	50.00	1.91	37.64	71.76
1990	3,744.79	50.00	74.90	38.52	2,884.87
1991	21,519.47	50.00	430.39	39.41	16,960.21
1992	6,950.40	50.00	139.01	40.30	5,602.16
1994	6,028.56	50.00	120.57	42.11	5,076.89
1995	9,707.12	50.00	194.14	43.02	8,351.65
1996	29,424.63	50.00	588.49	43.93	25,855.12
1997	21,329.51	50.00	426.59	44.86	19,135.01
1998	754.98	50.00	15.10	45.78	691.28
2001	90,810.67	50.00	1,816.21	48.59	88,240.91
Total	367,467.51	50.00	7,349.33	36.61	269,079.54

Composite Average Remaining Life ... 36.61 Years

Kentucky Utilities***VA******362.00 STATION EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 50**Survivor Curve: R1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1909	1,145.87	50.00	22.92	2.35	53.86
1928	2,008.61	50.00	40.17	7.24	290.99
1930	15,555.43	50.00	311.10	7.82	2,432.47
1931	729.35	50.00	14.59	8.11	118.34
1936	407.81	50.00	8.16	9.65	78.73
1937	1,335.28	50.00	26.71	9.98	266.45
1939	8,270.01	50.00	165.40	10.65	1,760.94
1940	14,141.40	50.00	282.82	10.99	3,108.87
1941	842.74	50.00	16.85	11.35	191.23
1942	2,959.69	50.00	59.19	11.71	692.98
1943	3,251.65	50.00	65.03	12.08	785.42
1944	3,239.36	50.00	64.79	12.46	807.01
1945	3,943.76	50.00	78.87	12.84	1,013.14
1946	1,212.80	50.00	24.26	13.24	321.22
1947	4,184.05	50.00	83.68	13.65	1,142.28
1948	3,779.22	50.00	75.58	14.07	1,063.33
1949	4,653.34	50.00	93.07	14.50	1,349.09
1950	6,000.43	50.00	120.01	14.93	1,792.22
1951	8,199.05	50.00	163.98	15.38	2,522.46
1952	32,598.69	50.00	651.96	15.84	10,328.29
1953	6,656.49	50.00	133.13	16.31	2,171.48
1954	5,491.96	50.00	109.84	16.79	1,844.31
1955	52,171.52	50.00	1,043.42	17.28	18,032.06
1956	60,275.85	50.00	1,205.50	17.78	21,437.12
1957	15,049.99	50.00	301.00	18.29	5,506.47
1958	45,871.54	50.00	917.42	18.82	17,262.13
1960	39,132.51	50.00	782.64	19.89	15,566.97

Kentucky Utilities***VA******362.00 STATION EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 50**Survivor Curve: R1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1961	25,722.71	50.00	514.45	20.44	10,516.68
1962	36,935.94	50.00	738.71	21.00	15,516.55
1963	28,792.28	50.00	575.84	21.58	12,424.88
1964	22,899.35	50.00	457.98	22.16	10,148.30
1965	82,314.83	50.00	1,646.27	22.75	37,452.78
1966	25,466.29	50.00	509.32	23.35	11,892.90
1967	51,199.52	50.00	1,023.98	23.96	24,534.80
1968	45,374.02	50.00	907.47	24.58	22,304.66
1969	1,805.06	50.00	36.10	25.21	909.97
1970	304.19	50.00	6.08	25.84	157.22
1971	65,451.17	50.00	1,309.01	26.49	34,671.70
1972	26,392.21	50.00	527.84	27.14	14,325.36
1973	34,285.52	50.00	685.70	27.80	19,062.76
1974	65,614.42	50.00	1,312.27	28.47	37,358.83
1975	116,017.06	50.00	2,320.31	29.14	67,625.11
1976	89,248.65	50.00	1,784.95	29.83	53,241.86
1977	111,689.54	50.00	2,233.76	30.52	68,171.51
1978	224,625.88	50.00	4,492.46	31.22	140,237.08
1979	225,653.73	50.00	4,513.01	31.92	144,056.34
1980	72,442.85	50.00	1,448.84	32.63	47,276.68
1981	179,870.66	50.00	3,597.36	33.35	119,963.34
1982	98,295.06	50.00	1,965.87	34.07	66,978.09
1983	187,238.48	50.00	3,744.72	34.80	130,312.52
1984	3,663.49	50.00	73.27	35.53	2,603.48
1985	6,603.40	50.00	132.07	36.27	4,790.42
1986	132,888.53	50.00	2,657.73	37.02	98,383.39
1987	75,291.03	50.00	1,505.80	37.77	56,870.62

Kentucky Utilities***VA******362.00 STATION EQUIPMENT***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 50**Survivor Curve: R1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1988	9,168.29	50.00	183.36	38.52	7,063.63
1989	23,304.20	50.00	466.08	39.28	18,308.60
1990	20,777.41	50.00	415.54	40.05	16,641.16
1991	489,226.99	50.00	9,784.40	40.82	399,361.47
1992	60,291.27	50.00	1,205.81	41.59	50,149.80
1993	19,791.29	50.00	395.82	42.37	16,770.50
1994	219,366.57	50.00	4,387.27	43.15	189,321.68
1995	148,971.28	50.00	2,979.38	43.94	130,916.32
1996	173,943.02	50.00	3,478.81	44.73	155,619.94
1997	1,098,918.19	50.00	21,978.06	45.53	1,000,688.19
1998	426,792.04	50.00	8,535.72	46.33	395,489.72
1999	509,577.62	50.00	10,191.41	47.14	480,426.81
2000	291,092.50	50.00	5,821.77	47.95	279,164.66
2001	318,038.80	50.00	6,360.69	48.77	310,197.74
2002	105,908.64	50.00	2,118.14	49.59	105,035.86
Total	6,294,362.38	50.00	125,885.51	39.07	4,918,883.77

Composite Average Remaining Life ... 39.07 Years

Kentucky Utilities**VA****364.00 POLES, TOWER AND FIXTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 40 Survivor Curve: S0*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1932	8,601.53	40.00	215.04	3.53	758.04
1941	21,508.85	40.00	537.72	6.97	3,747.29
1942	11,038.16	40.00	275.95	7.36	2,030.93
1943	999.06	40.00	24.98	7.75	193.66
1944	4,189.56	40.00	104.74	8.15	853.48
1945	2,714.00	40.00	67.85	8.55	579.89
1946	21,712.83	40.00	542.82	8.95	4,855.90
1947	26,543.83	40.00	663.60	9.35	6,203.18
1948	29,958.36	40.00	748.96	9.75	7,303.38
1949	44,222.99	40.00	1,105.57	10.16	11,230.39
1950	72,881.27	40.00	1,822.03	10.57	19,251.99
1951	57,628.92	40.00	1,440.72	10.98	15,815.57
1952	37,024.53	40.00	925.61	11.39	10,543.44
1953	22,301.64	40.00	557.54	11.81	6,582.93
1954	534.34	40.00	13.36	12.23	163.32
1955	6,724.57	40.00	168.11	12.65	2,126.19
1956	16,104.91	40.00	402.62	13.07	5,262.86
1957	12,518.65	40.00	312.97	13.50	4,224.68
1958	33,003.91	40.00	825.10	13.93	11,492.79
1959	40,325.82	40.00	1,008.14	14.36	14,479.50
1960	14,873.05	40.00	371.83	14.80	5,502.70
1961	38,537.44	40.00	963.44	15.24	14,681.98
1962	29,889.77	40.00	747.24	15.68	11,718.78
1963	60,199.01	40.00	1,504.97	16.13	24,274.93
1964	59,121.21	40.00	1,478.03	16.58	24,506.71
1965	33,221.05	40.00	830.53	17.04	14,148.32
1966	83,767.30	40.00	2,094.18	17.49	36,636.04

Kentucky Utilities***VA******364.00 POLES, TOWER AND FIXTURES***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 40**Survivor Curve: S0*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1967	65,924.43	40.00	1,648.11	17.96	29,595.26
1968	104,028.06	40.00	2,600.70	18.42	47,916.64
1969	90,728.60	40.00	2,268.21	18.90	42,860.75
1970	79,578.30	40.00	1,989.46	19.37	38,541.69
1971	158,106.20	40.00	3,952.65	19.85	78,477.19
1972	142,240.06	40.00	3,556.00	20.34	72,332.97
1973	168,633.11	40.00	4,215.82	20.83	87,827.80
1974	169,526.65	40.00	4,238.16	21.33	90,402.84
1975	118,269.91	40.00	2,956.75	21.83	64,557.06
1976	138,628.32	40.00	3,465.71	22.34	77,436.29
1977	173,526.42	40.00	4,338.16	22.86	99,166.82
1978	186,124.64	40.00	4,653.11	23.38	108,799.61
1979	186,615.52	40.00	4,665.38	23.91	111,555.93
1980	236,359.42	40.00	5,908.98	24.45	144,467.43
1981	267,281.34	40.00	6,682.03	24.99	167,005.22
1982	176,141.64	40.00	4,403.54	25.55	112,495.21
1983	189,943.80	40.00	4,748.59	26.11	123,974.76
1984	221,239.29	40.00	5,530.98	26.68	147,559.97
1985	241,146.21	40.00	6,028.65	27.26	164,332.66
1986	280,708.08	40.00	7,017.70	27.85	195,440.00
1987	344,504.34	40.00	8,612.60	28.45	245,031.07
1988	380,797.39	40.00	9,519.93	29.06	276,683.51
1989	438,284.75	40.00	10,957.11	29.69	325,293.92
1990	431,817.08	40.00	10,795.42	30.33	327,388.06
1991	443,299.39	40.00	11,082.48	30.98	343,310.63
1992	470,594.79	40.00	11,754.86	31.65	372,304.05
1993	479,587.54	40.00	11,989.68	32.33	387,597.56

Kentucky Utilities**VA****364.00 POLES, TOWER AND FIXTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 40**Survivor Curve: S0*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1994	609,478.55	40.00	15,236.95	33.03	503,258.82
1995	923,465.91	40.00	23,088.63	33.75	779,107.99
1996	523,730.29	40.00	13,093.25	34.49	451,559.29
1997	631,478.05	40.00	15,786.94	35.25	556,477.67
1998	579,368.52	40.00	14,484.20	36.04	521,977.92
1999	594,772.08	40.00	14,869.29	36.85	547,958.06
2000	643,340.09	40.00	16,083.49	37.70	606,347.59
2001	369,062.89	40.00	9,226.57	38.58	355,980.18
2002	84,728.68	40.00	2,118.22	39.51	83,697.69
Total	12,133,206.90	40.00	303,329.95	29.50	8,947,888.98

Composite Average Remaining Life ... 29.50 Years

Kentucky Utilities**VA****365.00 OVERHEAD CONDUCTORS & DEVICES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 41**Survivor Curve: R2*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	29,614.85	41.00	722.31	4.05	2,923.02
1942	1,254.09	41.00	30.59	4.34	132.76
1943	105.48	41.00	2.57	4.63	11.91
1944	5,726.66	41.00	139.67	4.92	687.76
1945	13,423.49	41.00	327.40	5.22	1,708.22
1946	27,926.66	41.00	681.13	5.52	3,759.32
1947	30,117.28	41.00	734.56	5.82	4,276.77
1948	39,453.44	41.00	962.27	6.13	5,902.31
1949	45,860.24	41.00	1,118.54	6.45	7,214.84
1950	29,122.31	41.00	710.30	6.78	4,813.07
1951	51,930.16	41.00	1,266.58	7.11	9,007.23
1952	47,146.08	41.00	1,149.90	7.45	8,571.90
1953	28,608.24	41.00	697.76	7.81	5,449.49
1954	7,180.14	41.00	175.12	8.18	1,431.82
1955	34,446.29	41.00	840.15	8.55	7,187.42
1956	35,046.74	41.00	854.79	8.95	7,647.27
1957	33,209.56	41.00	809.98	9.35	7,574.21
1958	38,440.61	41.00	937.57	9.77	9,159.28
1959	34,920.44	41.00	851.71	10.20	8,689.01
1960	38,330.29	41.00	934.88	10.65	9,954.54
1961	47,504.71	41.00	1,158.64	11.11	12,871.82
1962	19,155.44	41.00	467.20	11.58	5,412.25
1963	66,898.52	41.00	1,631.66	12.07	19,702.16
1964	42,156.90	41.00	1,028.21	12.58	12,933.92
1965	46,787.36	41.00	1,141.15	13.10	14,947.47
1966	61,149.74	41.00	1,491.45	13.63	20,331.16
1967	47,034.36	41.00	1,147.17	14.18	16,265.54

Kentucky Utilities***VA******365.00 OVERHEAD CONDUCTORS & DEVICES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 41**Survivor Curve: R2*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1968	144,884.20	41.00	3,533.74	14.74	52,094.05
1969	89,622.13	41.00	2,185.89	15.32	33,481.62
1970	60,415.12	41.00	1,473.53	15.91	23,440.62
1971	148,126.09	41.00	3,612.81	16.51	59,649.20
1972	120,475.75	41.00	2,938.42	17.13	50,328.45
1973	179,813.50	41.00	4,385.67	17.76	77,876.01
1974	287,500.65	41.00	7,012.17	18.40	129,012.21
1975	154,386.81	41.00	3,765.51	19.05	71,749.86
1976	188,473.75	41.00	4,596.89	19.72	90,654.37
1977	293,605.33	41.00	7,161.07	20.40	146,091.98
1978	355,632.53	41.00	8,673.92	21.09	182,941.39
1979	315,888.11	41.00	7,704.54	21.79	167,912.22
1980	402,602.45	41.00	9,819.52	22.51	221,005.48
1981	334,351.09	41.00	8,154.86	23.23	189,449.56
1982	252,612.24	41.00	6,161.24	23.97	147,660.37
1983	285,558.08	41.00	6,964.79	24.71	172,103.23
1984	192,540.60	41.00	4,696.09	25.47	119,594.35
1985	218,305.94	41.00	5,324.51	26.23	139,669.64
1986	314,235.21	41.00	7,664.23	27.01	206,989.37
1987	298,871.10	41.00	7,289.50	27.79	202,583.49
1988	284,585.31	41.00	6,941.07	28.59	198,412.81
1989	383,295.63	41.00	9,348.62	29.39	274,734.44
1990	303,455.72	41.00	7,401.32	30.20	223,516.37
1991	366,952.75	41.00	8,950.02	31.02	277,624.27
1992	333,403.66	41.00	8,131.75	31.85	258,974.43
1993	384,279.92	41.00	9,372.63	32.68	306,341.12
1994	468,756.76	41.00	11,433.03	33.53	383,336.09

Kentucky Utilities**VA****365.00 OVERHEAD CONDUCTORS & DEVICES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 41**Survivor Curve: R2*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1995	739,446.75	41.00	18,035.18	34.38	620,080.60
1996	574,075.14	41.00	14,001.75	35.24	493,440.18
1997	704,417.26	41.00	17,180.81	36.11	620,380.66
1998	590,148.72	41.00	14,393.79	36.98	532,326.90
1999	493,844.34	41.00	12,044.92	37.86	456,067.44
2000	606,180.89	41.00	14,784.82	38.75	572,948.19
2001	483,012.86	41.00	11,780.74	39.65	467,065.54
2002	50,128.29	41.00	1,222.63	40.55	49,575.02
Total	12,306,434.76	41.00	300,155.25	28.08	8,427,678.00

Composite Average Remaining Life ... 28.08 Years

Kentucky Utilities**VA****367.00 UNDERGROUND CONDUCTORS & DEVICES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
(1)	(2)	(3)	(4)	(5)	(6)
1971	67.63	30.00	2.25	5.39	12.15
1972	2,924.52	30.00	97.48	5.83	568.13
1973	2,131.84	30.00	71.06	6.30	447.51
1974	1,379.02	30.00	45.97	6.80	312.48
1975	6,784.78	30.00	226.16	7.33	1,657.65
1976	10,707.76	30.00	356.92	7.89	2,817.50
1977	5,577.77	30.00	185.93	8.49	1,577.79
1978	4,195.79	30.00	139.86	9.11	1,273.61
1979	2,605.63	30.00	86.85	9.76	847.27
1980	5,273.07	30.00	175.77	10.43	1,832.81
1981	4,864.89	30.00	162.16	11.12	1,803.72
1982	59.66	30.00	1.99	11.84	23.55
1983	28,304.04	30.00	943.47	12.58	11,869.53
1984	7,252.38	30.00	241.75	13.34	3,224.63
1985	9,007.38	30.00	300.25	14.12	4,238.67
1986	1,965.13	30.00	65.50	14.91	976.84
1987	3,642.07	30.00	121.40	15.73	1,909.06
1988	7,597.13	30.00	253.24	16.56	4,192.47
1989	3,928.03	30.00	130.93	17.40	2,278.39
1990	14,527.50	30.00	484.25	18.26	8,843.32
1991	24,751.87	30.00	825.06	19.14	15,790.53
1992	13,090.08	30.00	436.34	20.03	8,739.19
1993	11,137.83	30.00	371.26	20.93	7,771.13
1994	8,477.07	30.00	282.57	21.85	6,173.58
1995	24,815.09	30.00	827.17	22.78	18,839.03
1996	18,473.92	30.00	615.80	23.71	14,602.39
1997	12,374.54	30.00	412.48	24.66	10,172.21

Kentucky Utilities***VA******367.00 UNDERGROUND CONDUCTORS & DEVICES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	15,108.44	30.00	503.61	25.62	12,900.99
1999	27,266.06	30.00	908.87	26.58	24,158.01
2000	146,724.41	30.00	4,890.81	27.55	134,746.17
2001	94,367.22	30.00	3,145.57	28.53	89,733.47
2002	235.89	30.00	7.86	29.51	232.02
Total	519,618.44	30.00	17,320.59	22.78	394,565.82

Composite Average Remaining Life ... 22.78 Years

Kentucky Utilities**VA****368.00 LINE TRANSFORMERS**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

Average Service Life: 42

Survivor Curve: S0.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	13,895.99	42.00	330.86	7.69	2,544.12
1942	80.11	42.00	1.91	8.04	15.33
1943	206.08	42.00	4.91	8.39	41.16
1944	450.58	42.00	10.73	8.74	93.78
1945	4,896.15	42.00	118.57	9.10	1,060.56
1946	2,701.95	42.00	64.33	9.46	608.40
1947	5,704.09	42.00	135.81	9.82	1,333.38
1948	482.09	42.00	11.48	10.18	116.89
1949	4,107.96	42.00	97.81	10.55	1,032.02
1950	5,843.72	42.00	139.14	10.92	1,519.90
1952	2,614.09	42.00	62.24	11.68	726.93
1953	1,473.42	42.00	35.08	12.06	423.21
1954	3,546.77	42.00	84.45	12.45	1,051.51
1955	6,035.85	42.00	143.71	12.84	1,845.91
1956	136.40	42.00	3.25	13.24	43.01
1957	41,235.17	42.00	981.79	13.64	13,395.91
1958	24,820.48	42.00	590.96	14.05	8,304.13
1959	32,138.62	42.00	765.20	14.46	11,068.37
1960	26,585.90	42.00	633.00	14.88	9,420.67
1961	38,131.26	42.00	907.89	15.31	13,896.55
1962	56,925.13	42.00	1,355.36	15.74	21,328.32
1963	26,788.63	42.00	637.82	16.17	10,315.01
1964	23,126.74	42.00	550.64	16.61	9,148.48
1965	52,663.70	42.00	1,253.90	17.06	21,395.88
1966	49,696.44	42.00	1,183.25	17.52	20,729.60
1967	74,529.89	42.00	1,774.52	17.98	31,909.35
1968	29,614.67	42.00	705.11	18.45	13,011.25

Kentucky Utilities***VA******368.00 LINE TRANSFORMERS***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 42**Survivor Curve: S0.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1969	53,698.76	42.00	1,278.54	18.93	24,203.61
1970	174,866.66	42.00	4,163.49	19.42	80,842.89
1971	117,910.12	42.00	2,807.38	19.91	55,898.75
1972	178,755.58	42.00	4,256.08	20.41	86,883.43
1973	235,194.79	42.00	5,599.87	20.93	117,185.59
1974	623,979.87	42.00	14,856.66	21.45	318,635.99
1975	243,919.62	42.00	5,807.61	21.98	127,642.88
1976	211,818.92	42.00	5,043.30	22.52	113,570.98
1977	533,329.90	42.00	12,698.32	23.07	292,947.09
1978	583,551.85	42.00	13,894.08	23.63	328,347.91
1979	373,426.98	42.00	8,891.11	24.20	215,207.26
1980	295,511.92	42.00	7,035.99	24.79	174,411.14
1981	289,791.29	42.00	6,899.79	25.39	175,156.10
1982	304,106.41	42.00	7,240.62	25.99	188,211.42
1983	303,855.80	42.00	7,234.66	26.62	192,556.77
1984	260,960.12	42.00	6,213.33	27.25	169,314.47
1985	309,837.21	42.00	7,377.07	27.90	205,803.47
1986	337,531.33	42.00	8,036.46	28.56	229,530.83
1987	265,160.46	42.00	6,313.34	29.24	184,587.93
1988	327,671.38	42.00	7,801.70	29.93	233,496.39
1989	392,752.02	42.00	9,351.23	30.64	286,504.73
1990	401,476.23	42.00	9,558.95	31.36	299,781.62
1991	391,277.53	42.00	9,316.13	32.10	299,074.30
1992	357,368.13	42.00	8,508.76	32.86	279,598.69
1993	519,225.99	42.00	12,362.52	33.63	415,806.25
1994	458,809.69	42.00	10,924.03	34.43	376,107.15
1995	432,052.80	42.00	10,286.97	35.24	362,521.80

Kentucky Utilities**VA****368.00 LINE TRANSFORMERS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 42****Survivor Curve: S0.5**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
1996	435,977.21	42.00	10,380.40	36.07	374,454.45
1997	432,486.47	42.00	10,297.29	36.92	380,219.18
1998	510,547.41	42.00	12,155.88	37.80	459,432.09
1999	378,829.91	42.00	9,019.75	38.69	348,967.04
2000	576,610.35	42.00	13,728.81	39.60	543,709.87
2001	183,343.98	42.00	4,365.33	40.54	176,972.94
2002	11,709.76	42.00	278.80	41.51	11,572.16
Total	12,035,778.33	42.00	286,565.99	29.05	8,325,536.84

Composite Average Remaining Life ... 29.05 Years

Kentucky Utilities**VA****369.00 SERVICES**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	1,330.44	0.00	0.00	0.00	0.00
1942	355.32	0.00	0.00	0.00	0.00
1945	71.41	0.00	0.00	0.00	0.00
1946	3,454.25	0.00	0.00	0.00	0.00
1947	11,802.30	0.00	0.00	0.00	0.00
1948	13,728.46	0.00	0.00	0.00	0.00
1949	16,460.64	0.00	0.00	0.00	0.00
1950	17,671.52	0.00	0.00	0.00	0.00
1951	11,941.36	0.00	0.00	0.00	0.00
1952	10,585.25	30.00	352.84	0.50	176.42
1953	6,572.43	30.00	219.08	0.51	112.03
1954	732.82	30.00	24.43	0.65	15.82
1955	1,174.14	30.00	39.14	0.83	32.49
1956	15,949.56	30.00	531.65	1.06	564.16
1957	20,041.34	30.00	668.04	1.30	868.86
1958	24,602.60	30.00	820.09	1.54	1,260.85
1959	24,574.54	30.00	819.15	1.79	1,467.47
1960	322.17	30.00	10.74	2.05	21.99
1961	22,789.89	30.00	759.66	2.30	1,744.64
1962	9,182.39	30.00	306.08	2.55	781.67
1963	13,519.47	30.00	450.65	2.81	1,267.85
1964	14,753.70	30.00	491.79	3.07	1,511.12
1966	14,806.46	30.00	493.55	3.63	1,792.81
1967	14,052.65	30.00	468.42	3.93	1,842.66
1968	5,833.70	30.00	194.46	4.26	828.15
1969	17,308.19	30.00	576.94	4.61	2,658.74
1970	619.37	30.00	20.65	4.98	102.92

Kentucky Utilities**VA****369.00 SERVICES**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1971	34,396.93	30.00	1,146.56	5.39	6,181.27
1972	33,003.56	30.00	1,100.12	5.83	6,411.38
1973	46,757.29	30.00	1,558.57	6.30	9,815.13
1974	88,799.73	30.00	2,959.99	6.80	20,121.82
1975	43,661.07	30.00	1,455.37	7.33	10,667.24
1976	85,445.39	30.00	2,848.18	7.89	22,482.99
1977	89,190.99	30.00	2,973.03	8.49	25,229.57
1978	98,339.88	30.00	3,277.99	9.11	29,850.65
1979	95,770.08	30.00	3,192.33	9.76	31,141.58
1980	80,597.54	30.00	2,686.58	10.43	28,014.01
1981	121,918.97	30.00	4,063.96	11.12	45,202.94
1982	99,899.82	30.00	3,329.99	11.84	39,434.00
1983	128,208.91	30.00	4,273.62	12.58	53,765.46
1984	134,800.03	30.00	4,493.33	13.34	59,936.28
1985	121,978.18	30.00	4,065.93	14.12	57,400.18
1986	116,396.27	30.00	3,879.87	14.91	57,859.13
1987	105,954.06	30.00	3,531.80	15.73	55,537.88
1988	129,532.51	30.00	4,317.74	16.56	71,482.40
1989	146,899.77	30.00	4,896.65	17.40	85,206.88
1990	166,137.93	30.00	5,537.92	18.26	101,133.14
1991	195,240.72	30.00	6,508.02	19.14	124,554.44
1992	175,174.66	30.00	5,839.15	20.03	116,949.96
1993	248,197.86	30.00	8,273.25	20.93	173,173.53
1994	248,275.54	30.00	8,275.84	21.85	180,811.31
1995	309,633.61	30.00	10,321.11	22.78	235,066.49
1996	284,288.67	30.00	9,476.28	23.71	224,711.02
1997	288,147.73	30.00	9,604.91	24.66	236,865.26

Kentucky Utilities***VA******369.00 SERVICES***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	303,251.59	30.00	10,108.37	25.62	258,944.33
1999	290,935.99	30.00	9,697.85	26.58	257,772.24
2000	223,570.40	30.00	7,452.34	27.55	205,318.64
2001	60,897.09	30.00	2,029.90	28.53	57,906.84
2002	16,196.80	30.00	539.89	29.51	15,931.07
Total	4,905,735.94	25.42	160,963.79	18.15	2,921,929.69

Composite Average Remaining Life ... 18.15 Years

Kentucky Utilities**VA****370.00 METERS**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 44**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1941	15,912.86	44.00	361.65	8.75	3,162.75
1943	136.50	44.00	3.10	9.49	29.44
1945	3,085.21	44.00	70.12	10.26	719.48
1946	3,440.35	44.00	78.19	10.66	833.11
1947	6,118.28	44.00	139.05	11.06	1,537.33
1948	9,107.64	44.00	206.99	11.46	2,372.78
1949	12,531.01	44.00	284.79	11.88	3,382.56
1950	13,294.80	44.00	302.15	12.30	3,715.80
1951	8,949.17	44.00	203.39	12.73	2,588.17
1952	6,816.37	44.00	154.91	13.16	2,038.65
1953	2,716.14	44.00	61.73	13.60	839.59
1954	4,422.70	44.00	100.51	14.05	1,412.23
1955	8,824.64	44.00	200.56	14.51	2,909.26
1956	12,730.75	44.00	289.33	14.97	4,331.00
1957	20,084.90	44.00	456.46	15.44	7,047.95
1958	28,171.57	44.00	640.25	15.92	10,191.84
1959	6,863.01	44.00	155.97	16.40	2,558.66
1960	21,149.33	44.00	480.65	16.90	8,122.04
1961	20,251.87	44.00	460.26	17.40	8,008.49
1962	19,173.31	44.00	435.75	17.91	7,803.88
1963	20,157.50	44.00	458.11	18.43	8,441.30
1964	20,151.14	44.00	457.97	18.95	8,679.38
1965	29,732.11	44.00	675.71	19.48	13,166.24
1966	34,148.99	44.00	776.09	20.03	15,541.95
1967	32,580.04	44.00	740.44	20.57	15,234.15
1968	25,158.88	44.00	571.78	21.13	12,082.92
1969	43,248.21	44.00	982.89	21.70	21,325.63

Kentucky Utilities**VA****370.00 METERS**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 44**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1970	50,835.84	44.00	1,155.33	22.27	25,728.36
1971	40,559.85	44.00	921.79	22.85	21,062.20
1972	86,738.52	44.00	1,971.28	23.44	46,202.87
1973	76,699.04	44.00	1,743.12	24.03	41,892.78
1974	102,158.91	44.00	2,321.74	24.64	57,197.65
1975	102,223.30	44.00	2,323.20	25.25	58,649.66
1976	115,789.92	44.00	2,631.52	25.86	68,059.27
1977	119,713.36	44.00	2,720.69	26.49	72,061.53
1978	188,673.59	44.00	4,287.93	27.12	116,272.68
1979	229,272.87	44.00	5,210.62	27.75	144,611.78
1980	97,607.68	44.00	2,218.30	28.40	62,989.79
1981	73,679.31	44.00	1,674.49	29.04	48,632.61
1982	174,788.84	44.00	3,972.37	29.70	117,964.81
1983	88,744.59	44.00	2,016.87	30.36	61,222.93
1984	40,461.56	44.00	919.56	31.02	28,523.21
1985	89,198.88	44.00	2,027.20	31.69	64,233.21
1986	68,856.52	44.00	1,564.88	32.36	50,636.20
1987	97,656.75	44.00	2,219.42	33.03	73,314.78
1988	61,796.36	44.00	1,404.43	33.71	47,346.67
1989	113,927.74	44.00	2,589.20	34.39	89,055.29
1990	71,511.76	44.00	1,625.23	35.08	57,015.18
1991	145,228.04	44.00	3,300.56	35.77	118,063.32
1992	86,248.48	44.00	1,960.14	36.46	71,473.90
1993	85,918.69	44.00	1,952.65	37.16	72,560.65
1994	80,689.96	44.00	1,833.82	37.86	69,430.91
1995	171,321.81	44.00	3,893.58	38.57	150,160.51
1996	149,795.17	44.00	3,404.35	39.28	133,706.33

Kentucky Utilities**VA****370.00 METERS**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 44**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1997	121,570.23	44.00	2,762.89	39.99	110,483.70
1998	151,998.33	44.00	3,454.42	40.71	140,620.64
1999	104,296.11	44.00	2,370.31	41.43	98,202.65
Total	3,616,919.29	44.00	82,200.67	30.24	2,485,452.66

Composite Average Remaining Life ... 30.24 Years

Kentucky Utilities**VA****371.00 INSTALLATIONS ON CUST.S' PREMISES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 16**Survivor Curve: R0.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1967	162.85	0.00	0.00	0.00	0.00
1968	13.29	0.00	0.00	0.00	0.00
1969	478.32	0.00	0.00	0.00	0.00
1973	5,089.71	16.00	318.05	1.25	396.36
1974	47.28	16.00	2.95	1.68	4.95
1977	4,759.92	16.00	297.44	2.89	859.49
1978	13,656.10	16.00	853.36	3.28	2,801.57
1979	20,375.11	16.00	1,273.22	3.68	4,682.59
1980	20,140.59	16.00	1,258.57	4.08	5,131.17
1981	35,918.78	16.00	2,244.54	4.48	10,062.27
1982	29,108.73	16.00	1,818.98	4.90	8,909.97
1983	2,563.14	16.00	160.17	5.32	852.79
1984	56,851.75	16.00	3,552.62	5.76	20,471.01
1985	11,351.64	16.00	709.36	6.21	4,407.35
1986	33,410.11	16.00	2,087.77	6.68	13,941.78
1987	12,058.90	16.00	753.55	7.16	5,392.95
1988	13,420.02	16.00	838.61	7.65	6,415.44
1989	19,268.86	16.00	1,204.10	8.16	9,823.38
1990	23,866.92	16.00	1,491.43	8.68	12,946.51
1991	37,366.59	16.00	2,335.01	9.22	21,521.13
1992	34,671.91	16.00	2,166.62	9.77	21,158.70
1993	59,484.54	16.00	3,717.14	10.33	38,386.55
1994	53,490.11	16.00	3,342.56	10.90	36,428.29
1995	69,514.84	16.00	4,343.93	11.48	49,862.61
1996	69,851.68	16.00	4,364.98	12.07	52,669.12
1997	73,878.64	16.00	4,616.62	12.66	58,445.16
1998	76,678.79	16.00	4,791.60	13.26	63,524.34

Kentucky Utilities***VA******371.00 INSTALLATIONS ON CUST.S' PREMISES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 16******Survivor Curve: R0.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	70,692.86	16.00	4,417.54	13.86	61,223.32
2000	19,130.82	16.00	1,195.47	14.47	17,292.75
<i>Total</i>	<i>867,302.80</i>	<i>14.35</i>	<i>54,156.19</i>	<i>9.74</i>	<i>527,611.56</i>

Composite Average Remaining Life ... 9.74 Years

Kentucky Utilities**VA****373.00 STREET LIGHTING & SIGNAL SYSTEMS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 28**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1932	3,073.11	0.00	0.00	0.00	0.00
1936	75.32	0.00	0.00	0.00	0.00
1941	299.00	0.00	0.00	0.00	0.00
1946	407.50	0.00	0.00	0.00	0.00
1947	1,014.00	28.00	36.21	0.50	18.11
1948	107.32	28.00	3.83	0.69	2.63
1949	678.98	28.00	24.25	0.97	23.61
1950	13.81	28.00	0.49	1.30	0.64
1951	1,997.47	28.00	71.34	1.62	115.66
1952	1,330.54	28.00	47.52	1.92	91.39
1953	4,993.23	28.00	178.32	2.22	395.97
1954	3,504.92	28.00	125.17	2.51	314.34
1955	19,204.08	28.00	685.83	2.81	1,926.94
1956	3,308.33	28.00	118.15	3.11	367.31
1957	320.22	28.00	11.44	3.42	39.10
1958	944.41	28.00	33.73	3.73	125.91
1959	1,806.18	28.00	64.50	4.06	261.66
1960	28.99	28.00	1.04	4.39	4.54
1961	3,508.99	28.00	125.32	4.73	592.71
1962	7,868.33	28.00	281.00	5.08	1,427.50
1963	3,765.17	28.00	134.46	5.44	731.22
1964	2,578.51	28.00	92.09	5.81	534.62
1965	6,218.44	28.00	222.08	6.18	1,373.13
1966	2,603.53	28.00	92.98	6.57	610.86
1967	19,689.81	28.00	703.18	6.97	4,898.90
1968	1,373.07	28.00	49.04	7.37	361.58
1969	940.12	28.00	33.57	7.79	261.59

Kentucky Utilities***VA******373.00 STREET LIGHTING & SINGAL SYSTEMS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 28**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1970	16,543.35	28.00	590.81	8.22	4,856.12
1971	10,436.22	28.00	372.71	8.66	3,227.10
1972	15,247.01	28.00	544.51	9.11	4,960.08
1973	6,871.25	28.00	245.39	9.57	2,348.73
1974	4,386.83	28.00	156.67	10.05	1,573.71
1975	4,273.54	28.00	152.62	10.53	1,607.25
1976	3,822.61	28.00	136.52	11.03	1,505.60
1977	11,534.54	28.00	411.93	11.54	4,753.42
1978	9,463.55	28.00	337.97	12.06	4,076.68
1979	6,691.01	28.00	238.95	12.60	3,010.19
1980	21,895.47	28.00	781.95	13.15	10,278.96
1981	19,364.28	28.00	691.55	13.71	9,477.89
1982	2,674.03	28.00	95.50	14.28	1,363.51
1983	12,705.50	28.00	453.75	14.86	6,743.73
1984	7,666.15	28.00	273.78	15.46	4,232.37
1985	10,650.55	28.00	380.36	16.07	6,111.01
1986	12,756.04	28.00	455.55	16.69	7,601.17
1987	11,787.90	28.00	420.98	17.31	7,289.20
1988	77,648.89	28.00	2,773.06	17.95	49,786.06
1989	154,164.94	28.00	5,505.66	18.60	102,414.41
1990	29,871.28	28.00	1,066.79	19.26	20,543.69
1991	11,304.42	28.00	403.71	19.92	8,042.58
1992	116,421.02	28.00	4,157.72	20.59	85,616.39
1993	37,367.82	28.00	1,334.51	21.27	28,383.14
1994	44,693.30	28.00	1,596.12	21.95	35,036.29
1995	11,361.34	28.00	405.74	22.64	9,185.32
1996	12,381.79	28.00	442.19	23.33	10,316.85

Kentucky Utilities**VA****373.00 STREET LIGHTING & SIGNAL SYSTEMS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 28****Survivor Curve: R1**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
1997	95,809.33	28.00	3,421.62	24.03	82,221.72
1998	7,119.14	28.00	254.24	24.74	6,288.93
1999	105,730.08	28.00	3,775.91	25.45	96,088.58
2000	105,778.46	28.00	3,777.64	26.17	98,852.28
2001	94,563.79	28.00	3,377.14	26.90	90,828.62
2002	44,405.95	28.00	1,585.86	27.63	43,817.70
Total	1,229,044.76	26.13	43,754.93	19.81	866,919.20

Composite Average Remaining Life ... 19.81 Years

*Kentucky Utilities**VA**390.10 STRUCT. & IMPROVE. TO OWNED PROPERTY**Original Cost Of Utility Plant In Service**And Development Of Composite Remaining Life as of December 31, 2002**Based Upon Broad Group/Remaining Life Procedure and Technique**Average Service Life: 50**Survivor Curve: R1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1958	73,544.91	50.00	1,470.88	18.82	27,676.02
1959	577.33	50.00	11.55	19.35	223.40
1962	378.21	50.00	7.56	21.00	158.88
1965	3,158.70	50.00	63.17	22.75	1,437.19
1966	6,267.14	50.00	125.34	23.35	2,926.79
1967	88,466.63	50.00	1,769.31	23.96	42,393.19
1968	190.04	50.00	3.80	24.58	93.42
1969	430.35	50.00	8.61	25.21	216.95
1971	6,840.65	50.00	136.81	26.49	3,623.72
1972	1,111.99	50.00	22.24	27.14	603.57
1977	2,316.83	50.00	46.34	30.52	1,414.11
1978	121.96	50.00	2.44	31.22	76.14
1979	3,197.92	50.00	63.96	31.92	2,041.54
1980	1,670.86	50.00	33.42	32.63	1,090.41
1981	115.79	50.00	2.32	33.35	77.23
1984	100,790.48	50.00	2,015.78	35.53	71,627.29
1985	3,631.32	50.00	72.63	36.27	2,634.33
1986	98,470.68	50.00	1,969.39	37.02	72,902.30
1987	58,430.59	50.00	1,168.60	37.77	44,135.19
1988	101,484.89	50.00	2,029.67	38.52	78,188.14
1989	4,780.13	50.00	95.60	39.28	3,755.44
1990	5,041.84	50.00	100.84	40.05	4,038.14
1991	24,549.85	50.00	490.99	40.82	20,040.32
1993	5,551.85	50.00	111.04	42.37	4,704.46
1994	726.50	50.00	14.53	43.15	627.00
1996	4,987.00	50.00	99.74	44.73	4,461.67
1999	47,014.41	50.00	940.28	47.14	44,324.91

Kentucky Utilities**VA****390.10 STRUCT. & IMPROVE. TO OWNED PROPERTY****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 50**Survivor Curve: R1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<i>Total</i>	643,848.85	50.00	12,876.80	33.82	435,491.76

Composite Average Remaining Life ... 33.82 Years

Kentucky Utilities**VA****390.20 IMPROVEMENTS TO LEASED PROPERTY****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 20**Survivor Curve: R1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1968	2,505.57	20.00	125.27	1.85	232.14
1969	13,182.13	20.00	659.06	2.15	1,414.29
1975	1,251.66	20.00	62.58	4.15	259.87
1977	346.79	20.00	17.34	4.92	85.37
1978	5,641.82	20.00	282.07	5.33	1,503.51
1980	369.56	20.00	18.48	6.19	114.34
1983	8,627.06	20.00	431.32	7.60	3,275.96
1989	7,920.32	20.00	395.99	10.87	4,305.29
1990	228.71	20.00	11.43	11.48	131.24
1992	2,009.50	20.00	100.47	12.73	1,279.26
1993	1,215.95	20.00	60.79	13.38	813.49
1994	3,894.00	20.00	194.69	14.04	2,733.41
1995	4,188.43	20.00	209.41	14.71	3,080.28
1996	24,599.37	20.00	1,229.89	15.39	18,924.08
Total	75,980.87	20.00	3,798.79	10.04	38,152.52

Composite Average Remaining Life ... 10.04 Years

Kentucky Utilities**VA****391.10 OFFICE EQUIPMENT**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 15**Survivor Curve: L1*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1984	2,199.19	15.00	146.60	5.99	878.45
1989	2,985.60	15.00	199.02	7.52	1,496.06
1990	20,867.01	15.00	1,391.01	7.85	10,925.43
1991	5,644.93	15.00	376.30	8.20	3,087.08
1992	4,788.46	15.00	319.20	8.57	2,734.33
1994	2,609.30	15.00	173.94	9.33	1,623.29
Total	39,094.49	15.00	2,606.07	7.96	20,744.64

Composite Average Remaining Life ... 7.96 Years

Kentucky Utilities***VA******393.00 STORES EQUIPMENT***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique***

*Average Service Life: 30**Survivor Curve: R3*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	605.59	30.00	20.19	14.91	301.03
1987	2,971.49	30.00	99.05	15.73	1,557.56
1993	3,649.67	30.00	121.66	20.93	2,546.46
1995	876.55	30.00	29.22	22.78	665.46
Total	8,103.30	30.00	270.11	18.77	5,070.51

Composite Average Remaining Life ... 18.77 Years

Kentucky Utilities**VA****394.00 TOOLS, SHOP AND GARAGE EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 30**Survivor Curve: R2.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1970	3,353.59	30.00	111.79	6.12	684.04
1972	4,334.93	30.00	144.50	6.95	1,004.00
1974	728.11	30.00	24.27	7.89	191.60
1978	3,094.98	30.00	103.17	10.12	1,044.04
1979	920.54	30.00	30.68	10.74	329.59
1981	2,534.00	30.00	84.47	12.05	1,017.58
1982	800.84	30.00	26.69	12.73	339.89
1983	4,604.57	30.00	153.48	13.44	2,062.20
1984	10,408.48	30.00	348.95	14.16	4,911.82
1985	1,957.38	30.00	65.25	14.90	971.99
1987	4,123.64	30.00	137.45	16.42	2,257.66
1989	3,778.55	30.00	125.95	18.02	2,269.07
1990	3,625.54	30.00	120.85	18.83	2,275.86
1991	3,924.21	30.00	130.81	19.66	2,572.08
1992	662.68	30.00	22.09	20.51	452.98
1993	6,243.31	30.00	208.11	21.36	4,445.85
1994	12,996.20	30.00	433.20	22.23	9,630.96
1995	12,158.78	30.00	405.29	23.11	9,366.82
1996	5,731.15	30.00	191.04	24.00	4,585.15
1997	3,439.04	30.00	114.63	24.90	2,854.60
2000	8,832.69	30.00	294.42	27.66	8,142.23
2001	3,713.00	30.00	123.77	28.59	3,538.23
2002	173,764.87	30.00	5,792.13	29.53	171,028.66
Total	275,731.08	30.00	9,190.98	25.67	235,976.90

Composite Average Remaining Life ... 25.67 Years

Kentucky Utilities**VA****395.00 LABORATORY EQUIPMENT**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

Average Service Life: 27

Survivor Curve: L3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1978	793.98	27.00	29.41	8.58	252.17
1979	1,117.01	27.00	41.37	8.80	364.25
1980	1,131.99	27.00	41.93	9.08	380.50
1983	7,456.68	27.00	276.18	10.22	2,822.10
1986	1,995.77	27.00	73.92	11.95	883.11
1987	2,754.13	27.00	102.01	12.65	1,290.41
1993	4,455.47	27.00	165.02	17.71	2,922.20
1994	10,869.65	27.00	402.59	18.64	7,502.78
1996	7,108.50	27.00	263.28	20.54	5,408.77
Total	37,683.18	27.00	1,395.69	15.64	21,826.29

Composite Average Remaining Life ... 15.64 Years

Kentucky Utilities***VA******397.10 CARRIER COMMUNICATION EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 19**Survivor Curve: S6*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1982	501.21	19.00	26.38	0.82	21.74
1984	32,767.80	19.00	1,724.67	1.38	2,384.52
1986	13,165.82	19.00	692.96	2.63	1,824.11
1987	32,671.50	19.00	1,719.60	3.53	6,063.97
1988	6,458.46	19.00	339.93	4.50	1,530.67
1999	67,883.20	19.00	3,572.90	15.50	55,378.05
Total	153,447.99	19.00	8,076.44	8.32	67,203.06

Composite Average Remaining Life ... 8.32 Years

Kentucky Utilities**VA****397.20 REMOTE CONTROL COMMUNICATION EQ.**

**Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2002
Based Upon Broad Group/Remaining Life Procedure and Technique**

*Average Service Life: 20**Survivor Curve: L5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1992	53,271.95	20.00	2,663.53	9.50	25,312.38
1995	1,017.86	20.00	50.89	12.50	636.17
2000	105,982.93	20.00	5,299.01	17.50	92,735.41
Total	160,272.74	20.00	8,013.43	14.81	118,683.96

Composite Average Remaining Life ... 14.81 Years

Kentucky Utilities***VA******397.30 MOBILE COMMUNICATION EQUIP.******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2002******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 18******Survivor Curve: S5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2000	240,853.23	18.00	13,380.27	15.50	207,402.55
<i>Total</i>	240,853.23	18.00	13,380.27	15.50	207,402.55

Composite Average Remaining Life ... 15.50 Years

Kentucky Utilities**VA****398.00 MISCELLANEOUS EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2002****Based Upon Broad Group/Remaining Life Procedure and Technique***Average Service Life: 19**Survivor Curve: L1.5*

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	2,331.42	19.00	122.70	8.86	1,086.66
1987	1,117.20	19.00	58.80	9.15	538.14
1988	3,785.92	19.00	199.25	9.47	1,886.37
1994	9,128.88	19.00	480.45	12.11	5,820.21
Total	16,363.42	19.00	861.20	10.84	9,331.39

Composite Average Remaining Life ... 10.84 Years

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 311 - Production Plant Structures and Improvements

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	6,045.00	-	0.00%	-	0.00%	0.00	0.00%
1989	2,547.00	-	0.00%	-	0.00%	0.00	0.00%
1990	54,378.00	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	86,278.00	2,930.43	3.40%	10,004.55	11.60%	(7,074.11)	-8.20%
1996	2,936.00	3,210.08	109.34%	608.66	20.73%	2,601.42	88.60%
1997	103,244.00	0.00	0.00%	8,045.59	7.79%	(8,045.59)	-7.79%
1998	32,510.00	(0.00)	0.00%	16,167.17	49.73%	(16,167.18)	-49.73%
1999	(5,858.00)	-	0.00%	(1,966.80)	33.57%	1,966.80	-33.57%
2000	11,626.00	-	0.00%	-	0.00%	0.00	0.00%
2001	144,193.00	-	0.00%	33,335.00	23.12%	(33,335.00)	-23.12%
2002	2,737,193.00	241,345.00	8.82%	20,477.00	0.75%	220,868.00	8.07%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 311 - Production Plant Structures and Improvements

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	6,045.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	8,592.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	62,970.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	56,925.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	54,378.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	86,278.00	2,930.43	3.40%	10,004.55	11.60%	(7,074.11)	-8.20%
1994-1996	89,214.00	6,140.52	6.88%	10,613.21	11.90%	(4,472.69)	-5.01%
1995-1997	192,458.00	6,140.52	3.19%	18,658.80	9.69%	(12,518.28)	-6.50%
1996-1998	138,690.00	3,210.08	2.31%	24,821.43	17.90%	(21,611.35)	-15.58%
1997-1999	129,896.00	0.00	0.00%	22,245.96	17.13%	(22,245.97)	-17.13%
1998-2000	38,278.00	0.00	0.00%	14,200.37	37.10%	(14,200.38)	-37.10%
1999-2001	149,961.00	0.00	0.00%	31,368.20	20.92%	(31,368.20)	-20.92%
2000-2002	2,893,012.00	241,345.00	8.34%	53,812.00	1.86%	187,533.00	6.48%
1964-2002	3,175,092.00	247,485.52	7.79%	86,671.17	2.73%	160,814.34	5.06%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	39.9
Avg Ret Age	39.6
Years to ASL	0.3

Inflation Factor At 2.75% to ASL 1.01

Adjusted Salvage & C/O/R

5.75%

2.75%

3.00%

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	3.40%
1988-2002	15-Year Trend	3.85%
1993-2002	10-Year Trend	3.63%
1998-2002	5-Year Trend	5.75%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 312 - Boiler Plant Equipment

Year	Original Cost of Retirements	Gross Salvage	%	Cost of Removal	%	Net Salvage	%
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	5,472,744.00	85,506.00	1.56%	(33,162.00)	-0.61%	118,668.00	2.17%
1989	140,477.00	-	0.00%	-	0.00%	0.00	0.00%
1990	139,953.00	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	3,381,168.00	2,358.00	0.07%	126,229.00	3.73%	(123,871.00)	-3.66%
1993	73,171.00	36,144.80	49.40%	586,475.23	801.51%	(550,330.43)	-752.12%
1994	3,105,560.00	5,496.38	0.18%	1,235,480.56	39.78%	(1,229,984.18)	-39.61%
1995	2,831,089.00	44,495.64	1.57%	887,354.99	31.34%	(842,859.35)	-29.77%
1996	2,448,557.00	25,699.18	1.05%	1,372,067.41	56.04%	(1,346,368.23)	-54.99%
1997	3,497,148.00	6,713.12	0.19%	736,637.27	21.06%	(729,924.15)	-20.87%
1998	614,620.00	(14,905.96)	-2.43%	826,171.61	134.42%	(841,077.56)	-136.85%
1999	855,983.00	5,196.63	0.61%	776,824.78	90.75%	(771,628.15)	-90.15%
2000	4,074,449.00	20,250.00	0.50%	-	0.00%	20,250.00	0.50%
2001	2,773,207.00	350.00	0.01%	973,763.00	35.11%	(973,413.00)	-35.10%
2002	6,669,047.00	-	0.00%	47,752.00	0.72%	(47,752.00)	-0.72%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 312 - Boiler Plant Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	5,472,744.00	85,506.00	1.56%	(33,162.00)	-0.61%	118,668.00	2.17%
1987-1989	5,613,221.00	85,506.00	1.52%	(33,162.00)	-0.59%	118,668.00	2.11%
1988-1990	5,753,174.00	85,506.00	1.49%	(33,162.00)	-0.58%	118,668.00	2.06%
1989-1991	280,430.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	3,521,121.00	2,358.00	0.07%	126,229.00	3.58%	(123,871.00)	-3.52%
1991-1993	3,454,339.00	38,502.80	1.11%	712,704.23	20.63%	(674,201.43)	-19.52%
1992-1994	6,559,899.00	43,999.18	0.67%	1,948,184.79	29.70%	(1,904,185.62)	-29.03%
1993-1995	6,009,820.00	86,136.82	1.43%	2,709,310.79	45.08%	(2,623,173.97)	-43.65%
1994-1996	8,385,206.00	75,691.20	0.90%	3,494,902.96	41.68%	(3,419,211.77)	-40.78%
1995-1997	8,776,794.00	76,907.94	0.88%	2,996,059.67	34.14%	(2,919,151.74)	-33.26%
1996-1998	6,560,325.00	17,506.34	0.27%	2,934,876.29	44.74%	(2,917,369.95)	-44.47%
1997-1999	4,967,751.00	-2,996.21	-0.06%	2,339,633.66	47.10%	(2,342,629.87)	-47.16%
1998-2000	5,545,052.00	10,540.67	0.19%	1,602,996.39	28.91%	(1,592,455.72)	-28.72%
1999-2001	7,703,639.00	25,796.63	0.33%	1,750,587.78	22.72%	(1,724,791.15)	-22.39%
2000-2002	13,516,703.00	20,600.00	0.15%	1,021,515.00	7.56%	(1,000,915.00)	-7.41%
1964-2002	36,077,173.00	217,303.79	0.60%	7,535,593.86	20.89%	-7,318,290.07	-20.29%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	34.7
Avg Ret Age	21.1
Years to ASL	13.6
Inflation Factor At 2.75% to ASL	1.45

Adjusted Salvage & C/O/R

0.23%

30.21%

-29.98%

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	0.57%
1988-2002	15-Year Trend	0.03%
1993-2002	10-Year Trend	-0.10%
1998-2002	5-Year Trend	0.23%

Kentucky Utilities
Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 314 - Turbogenerator Units

Year	Original Cost of Retirements	Gross Salvage	%	Cost of Removal	%	Net Salvage	%
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	1,285,265.00	-	0.00%	314,381.26	24.46%	(314,381.26)	-24.46%
1995	1,942,977.00	110,477.48	5.69%	374,437.65	19.27%	(263,960.16)	-13.59%
1996	1,313,231.00	2,403,674.06	183.04%	452,453.89	34.45%	1,951,220.17	148.58%
1997	3,603,445.00	0.00	0.00%	466,686.83	12.95%	(466,686.83)	-12.95%
1998	210,345.00	0.00	0.00%	173,845.62	82.65%	(173,845.61)	-82.65%
1999	152,655.00	-	0.00%	85,179.86	55.80%	(85,179.86)	-55.80%
2000	32,604.00	-	0.00%	-	0.00%	0.00	0.00%
2001	100,327.00	-	0.00%	27,123.00	27.03%	(27,123.00)	-27.03%
2002	2,170,155.00	314,790.00	14.51%	42,556.00	1.96%	272,234.00	12.54%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 314 - Turbogenerator Units

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	1,285,265.00	0.00	0.00%	314,381.26	24.46%	(314,381.26)	-24.46%
1993-1995	3,228,242.00	110,477.48	3.42%	688,818.90	21.34%	(578,341.42)	-17.92%
1994-1996	4,541,473.00	2,514,151.54	55.36%	1,141,272.79	25.13%	1,372,878.75	30.23%
1995-1997	6,859,653.00	2,514,151.55	36.65%	1,293,578.37	18.86%	1,220,573.18	17.79%
1996-1998	5,127,021.00	2,403,674.07	46.88%	1,092,986.34	21.32%	1,310,687.73	25.56%
1997-1999	3,966,445.00	0.01	0.00%	725,712.31	18.30%	(725,712.30)	-18.30%
1998-2000	395,604.00	0.00	0.00%	259,025.48	65.48%	(259,025.48)	-65.48%
1999-2001	285,586.00	0.00	0.00%	112,302.86	39.32%	(112,302.86)	-39.32%
2000-2002	2,303,086.00	314,790.00	13.67%	69,679.00	3.03%	245,111.00	10.64%
1964-2002	10,811,004.00	2,828,941.55	26.17%	1,936,664.11	17.91%	892,277.45	8.25%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	38
Avg Ret Age	29.2
Years to ASL	8.8

Inflation Factor At 2.75% to ASL 1.27

Adjusted Salvage & C/O/R -7.82% 22.74% -30.56%

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	19.72%
1988-2002	15-Year Trend	20.83%
1993-2002	10-Year Trend	13.93%
1998-2002	5-Year Trend	-7.82%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 315 - Accessory Electric Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	6,329.00	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	37,232.00	(396,747.80)	-1065.61%	74,357.94	199.72%	(471,105.75)	-1265.32%
1994	9,852.00	-	0.00%	976.61	9.91%	(976.61)	-9.91%
1995	145,075.00	7,321.83	5.05%	11,330.18	7.81%	(4,008.35)	-2.76%
1996	76,925.00	124,974.87	162.46%	10,740.71	13.96%	114,234.16	148.50%
1997	38,297.00	(0.00)	0.00%	2,010.04	5.25%	(2,010.04)	-5.25%
1998	-	-	0.00%	-	0.00%	0.00	0.00%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	16,118.00	-	0.00%	6,569.00	40.76%	(6,569.00)	-40.76%
2002	513,319.00	64,999.00	12.66%	-	0.00%	64,999.00	12.66%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 315 - Accessory Electric Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	6,329.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	6,329.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	43,561.00	-396,747.80	-910.79%	74,357.94	170.70%	(471,105.75)	-1081.49%
1992-1994	47,084.00	-396,747.80	-842.64%	75,334.55	160.00%	(472,082.36)	-1002.64%
1993-1995	192,159.00	-389,425.98	-202.66%	86,664.73	45.10%	(476,090.71)	-247.76%
1994-1996	231,852.00	132,296.70	57.06%	23,047.50	9.94%	109,249.20	47.12%
1995-1997	260,297.00	132,296.70	50.83%	24,080.93	9.25%	108,215.77	41.57%
1996-1998	115,222.00	124,974.87	108.46%	12,750.75	11.07%	112,224.12	97.40%
1997-1999	38,297.00	0.00	0.00%	2,010.04	5.25%	(2,010.04)	-5.25%
1998-2000	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999-2001	16,118.00	0.00	0.00%	6,569.00	40.76%	(6,569.00)	-40.76%
2000-2002	529,437.00	64,999.00	12.28%	6,569.00	1.24%	58,430.00	11.04%
1964-2002	843,147.00	-199,452.10	-23.66%	105,984.49	12.57%	-305,436.59	-36.23%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	43.8
Avg Ret Age	35.6
Years to ASL	8.2

Inflation Factor At 2.75% to ASL 1.25

Adjusted Salvage & C/O/R

-33.56%

15.70%

-49.27%

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	-103.49%
1988-2002	15-Year Trend	-22.76%
1993-2002	10-Year Trend	330.78%
1998-2002	5-Year Trend	-33.56%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 316 - Miscellaneous Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	7,815.00	100.00	1.28%	-	0.00%	100.00	1.28%
1989	20,616.00	4,480.00	21.73%	-	0.00%	4,480.00	21.73%
1990	4,249,398.00	164,118.00	3.86%	-	0.00%	164,118.00	3.86%
1991	4,929.00	-	0.00%	-	0.00%	0.00	0.00%
1992	55,521.00	-	0.00%	958.00	1.73%	(958.00)	-1.73%
1993	11,206.00	37,633.40	335.83%	382.64	3.41%	37,250.76	332.42%
1994	24,722.00	337.30	1.36%	41.90	0.17%	295.40	1.19%
1995	52,493.00	6,471.87	12.33%	70.09	0.13%	6,401.78	12.20%
1996	50,369.00	7,528.95	14.95%	120.24	0.24%	7,408.71	14.71%
1997	244,396.00	3,616.60	1.48%	219.31	0.09%	3,397.29	1.39%
1998	65,320.00	(12,212.24)	-18.70%	374.05	0.57%	(12,586.29)	-19.27%
1999	111,838.00	5,234.10	4.68%	432.39	0.39%	4,801.71	4.29%
2000	472.00	-	0.00%	-	0.00%	0.00	0.00%
2001	25,187.00	-	0.00%	-	0.00%	0.00	0.00%
2002	206,066.00	23,399.00	11.36%	-	0.00%	23,399.00	11.36%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 316 - Miscellaneous Equipment

Year	Original Cost of Retirements	Gross Salvage	%	Cost of Removal	%	Net Salvage	%
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	7,815.00	100.00	1.28%	0.00	0.00%	100.00	1.28%
1987-1989	28,431.00	4,580.00	16.11%	0.00	0.00%	4,580.00	16.11%
1988-1990	4,277,829.00	168,698.00	3.94%	0.00	0.00%	168,698.00	3.94%
1989-1991	4,274,943.00	168,598.00	3.94%	0.00	0.00%	168,598.00	3.94%
1990-1992	4,309,848.00	164,118.00	3.81%	958.00	0.02%	163,160.00	3.79%
1991-1993	71,656.00	37,633.40	52.52%	1,340.64	1.87%	36,292.76	50.65%
1992-1994	91,449.00	37,970.70	41.52%	1,382.54	1.51%	36,588.16	40.01%
1993-1995	88,421.00	44,442.57	50.26%	494.63	0.56%	43,947.94	49.70%
1994-1996	127,584.00	14,338.12	11.24%	232.23	0.18%	14,105.89	11.06%
1995-1997	347,258.00	17,617.42	5.07%	409.64	0.12%	17,207.78	4.96%
1996-1998	360,085.00	-1,066.69	-0.30%	713.61	0.20%	(1,780.29)	-0.49%
1997-1999	421,554.00	-3,361.54	-0.80%	1,025.75	0.24%	(4,387.29)	-1.04%
1998-2000	177,630.00	-6,978.14	-3.93%	806.44	0.45%	(7,784.58)	-4.38%
1999-2001	137,497.00	5,234.10	3.81%	432.39	0.31%	4,801.71	3.49%
2000-2002	231,725.00	23,399.00	10.10%	0.00	0.00%	23,399.00	10.10%
1964-2002	5,130,348.00	240,706.98	4.69%	2,598.62	0.05%	238,108.36	4.64%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	33.5
Avg Ret Age	16.3
Years to ASL	17.2

Inflation Factor At 2.75% to ASL 1.59

Gross Salv, Trend Analysis*		
1983-2002	20-Year Trend	14.49%
1988-2002	15-Year Trend	7.30%
1993-2002	10-Year Trend	-14.99%
1998-2002	5-Year Trend	9.39%

Adjusted Salvage & C/O/R 9.39% 0.08% 9.31%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 331 - Hydraulic Plant Structures & Improvements

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	242.00	-	0.00%	4,092.00	1690.91%	(4,092.00)	-1690.91%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	5,131.00	-	0.00%	-	0.00%	0.00	0.00%
1995	112.00	-	0.00%	-	0.00%	0.00	0.00%
1996	19,338.00	22.64	0.12%	-	0.00%	22.64	0.12%
1997	-	-	0.00%	-	0.00%	0.00	0.00%
1998	-	-	0.00%	-	0.00%	0.00	0.00%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 331 - Hydraulic Plant Structures & Improvements

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	242.00	0.00	0.00%	4,092.00	1690.91%	(4,092.00)	-1690.91%
1989-1991	242.00	0.00	0.00%	4,092.00	1690.91%	(4,092.00)	-1690.91%
1990-1992	242.00	0.00	0.00%	4,092.00	1690.91%	(4,092.00)	-1690.91%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	5,131.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	5,243.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	24,581.00	22.64	0.09%	0.00	0.00%	22.64	0.09%
1995-1997	19,450.00	22.64	0.12%	0.00	0.00%	22.64	0.12%
1996-1998	19,338.00	22.64	0.12%	0.00	0.00%	22.64	0.12%
1997-1999	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1998-2000	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999-2001	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	24,823.00	22.64	0.09%	4,092.00	16.48%	-4,069.36	-16.39%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	49.5
Avg Ret Age	42.1
Years to ASL	7.4
Inflation Factor At 2.75% to ASL	1.22

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	0.04%
1988-2002	15-Year Trend	0.04%
1993-2002	10-Year Trend	0.02%
1998-2002	5-Year Trend	-0.05%

Adjusted Salvage & C/O/R -0.05% 20.15% -20.20%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 332 - Reservoirs, Dams & Waterways

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	25,343.00	29.67	0.12%	-	0.00%	29.67	0.12%
1997	-	-	0.00%	-	0.00%	0.00	0.00%
1998	-	-	0.00%	-	0.00%	0.00	0.00%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 332 - Reservoirs, Dams & Waterways

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	25,343.00	29.67	0.12%	0.00	0.00%	29.67	0.12%
1995-1997	25,343.00	29.67	0.12%	0.00	0.00%	29.67	0.12%
1996-1998	25,343.00	29.67	0.12%	0.00	0.00%	29.67	0.12%
1997-1999	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1998-2000	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999-2001	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	25,343.00	29.67	0.12%	0.00	0.00%	29.67	0.12%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	53
Avg Ret Age	25.4
Years to ASL	27.6

Inflation Factor At 2.75% to ASL 2.11

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	0.04%
1988-2002	15-Year Trend	0.04%
1993-2002	10-Year Trend	0.02%
1998-2002	5-Year Trend	-0.05%

Adjusted Salvage & C/O/R -0.05% 0.00% -0.05%

Kentucky Utilities

Electric

Analysis of Experienced Salvage
1964 through 2002

Account 333 - Waterwheels, Turbines and Generators

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	1,109.00	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	2,963.00	3.47	0.12%	-	0.00%	3.47	0.12%
1997	1,420.00	-	0.00%	-	0.00%	0.00	0.00%
1998	-	-	0.00%	-	0.00%	0.00	0.00%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 333 - Waterwheels, Turbines and Generators

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	1,109.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	1,109.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	1,109.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	2,963.00	3.47	0.12%	0.00	0.00%	3.47	0.12%
1995-1997	4,383.00	3.47	0.08%	0.00	0.00%	3.47	0.08%
1996-1998	4,383.00	3.47	0.08%	0.00	0.00%	3.47	0.08%
1997-1999	1,420.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1998-2000	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999-2001	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	5,492.00	3.47	0.06%	0.00	0.00%	3.47	0.06%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	62
Avg Ret Age	20.2
Years to ASL	41.8

Inflation Factor At 2.75% to ASL 3.11

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	0.03%
1988-2002	15-Year Trend	0.03%
1993-2002	10-Year Trend	0.02%
1998-2002	5-Year Trend	-0.03%

Adjusted Salvage & C/O/R 0.00% 0.00% -0.03%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 334 - Accessory Electric Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	3,316.00	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	-	-	0.00%	-	0.00%	0.00	0.00%
1997	-	-	0.00%	-	0.00%	0.00	0.00%
1998	-	-	0.00%	-	0.00%	0.00	0.00%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 334 - Accessory Electric Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	3,316.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	3,316.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	3,316.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1996-1998	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1997-1999	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1998-2000	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999-2001	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	3,316.00	0.00	0.00%	0.00	0.00%	0.00	0.00%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	23.6
Avg Ret Age	30.5
Years to ASL	-6.9

Inflation Factor At 2.75% to ASL 0.83

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	0.00%
1988-2002	15-Year Trend	0.00%
1993-2002	10-Year Trend	0.00%
1998-2002	5-Year Trend	0.00%

Adjusted Salvage & C/O/R 0.00% 0.00% 0.00%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 335

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	63.00	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	1,347.00	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	10,618.00	12.43	0.12%	-	0.00%	12.43	0.12%
1997	-	-	0.00%	-	0.00%	0.00	0.00%
1998	-	-	0.00%	-	0.00%	0.00	0.00%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 335

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	63.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	63.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	1,410.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	1,347.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	1,347.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	10,618.00	12.43	0.12%	0.00	0.00%	12.43	0.12%
1995-1997	10,618.00	12.43	0.12%	0.00	0.00%	12.43	0.12%
1996-1998	10,618.00	12.43	0.12%	0.00	0.00%	12.43	0.12%
1997-1999	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1998-2000	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999-2001	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	12,028.00	12.43	0.10%	0.00	0.00%	12.43	0.10%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	23.6
Avg Ret Age	30.5
Years to ASL	-6.9

Inflation Factor At 2.75% to ASL 0.83

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	0.04%
1988-2002	15-Year Trend	0.04%
1993-2002	10-Year Trend	0.02%
1998-2002	5-Year Trend	-0.05%

Adjusted Salvage & C/O/R -0.05% 0.00% -0.05%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 341 - Production Plant Structures and Improvements

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	-	-	0.00%	-	0.00%	0.00	0.00%
1997	-	-	0.00%	-	0.00%	0.00	0.00%
1998	(1,899.00)	(1,899.00)	100.00%	-	0.00%	(1,899.00)	100.00%
1999	857,080.00	780,306.48	91.04%	-	0.00%	780,306.48	91.04%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 341 - Production Plant Structures and Improvements

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1996-1998	-1,899.00	-1,899.00	100.00%	0.00	0.00%	(1,899.00)	100.00%
1997-1999	855,181.00	778,407.48	91.02%	0.00	0.00%	778,407.48	91.02%
1998-2000	855,181.00	778,407.48	91.02%	0.00	0.00%	778,407.48	91.02%
1999-2001	857,080.00	780,306.48	91.04%	0.00	0.00%	780,306.48	91.04%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	855,181.00	778,407.48	91.02%	0.00	0.00%	778,407.48	91.02%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	18.8
Avg Ret Age	5
Years to ASL	13.8

Inflation Factor At 2.75% to ASL 1.45

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	59.68%
1988-2002	15-Year Trend	72.46%
1993-2002	10-Year Trend	86.16%
1998-2002	5-Year Trend	14.62%

Adjusted Salvage & C/O/R

14.62%

0.00%

14.62%

Kentucky Utilities
Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 342 - Fuel Holders Producers and Access.

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	-	-	0.00%	-	0.00%	0.00	0.00%
1997	-	-	0.00%	-	0.00%	0.00	0.00%
1998	(2,644.00)	(2,644.00)	100.00%	-	0.00%	(2,644.00)	100.00%
1999	1,450,751.00	1,320,799.00	91.04%	-	0.00%	1,320,799.00	91.04%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 342 - Fuel Holders Producers and Access.

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1996-1998	-2,644.00	-2,644.00	100.00%	0.00	0.00%	(2,644.00)	100.00%
1997-1999	1,448,107.00	1,318,155.00	91.03%	0.00	0.00%	1,318,155.00	91.03%
1998-2000	1,448,107.00	1,318,155.00	91.03%	0.00	0.00%	1,318,155.00	91.03%
1999-2001	1,450,751.00	1,320,799.00	91.04%	0.00	0.00%	1,320,799.00	91.04%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	1,448,107.00	1,318,155.00	91.03%	0.00	0.00%	1,318,155.00	91.03%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	21.7
Avg Ret Age	5.4
Years to ASL	16.3
Inflation Factor At 2.75% to ASL	1.56

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	59.68%
1988-2002	15-Year Trend	72.46%
1993-2002	10-Year Trend	86.16%
1998-2002	5-Year Trend	14.62%

Adjusted Salvage & C/O/R 14.62% 0.00% 14.62%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 343 - Prime Movers

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	-	-	0.00%	-	0.00%	0.00	0.00%
1997	2,330,051.00	2,330,051.00	100.00%	31,638.00	1.36%	2,298,413.00	98.64%
1998	5,305,522.00	5,305,522.00	100.00%	-	0.00%	5,305,522.00	100.00%
1999	2,366,536.00	2,154,551.94	91.04%	-	0.00%	2,154,551.94	91.04%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 343 - Prime Movers

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	2,330,051.00	2,330,051.00	100.00%	31,638.00	1.36%	2,298,413.00	98.64%
1996-1998	7,635,573.00	7,635,573.00	100.00%	31,638.00	0.41%	7,603,935.00	99.59%
1997-1999	10,002,109.00	9,790,124.94	97.88%	31,638.00	0.32%	9,758,486.94	97.56%
1998-2000	7,672,058.00	7,460,073.94	97.24%	0.00	0.00%	7,460,073.94	97.24%
1999-2001	2,366,536.00	2,154,551.94	91.04%	0.00	0.00%	2,154,551.94	91.04%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	10,002,109.00	9,790,124.94	97.88%	31,638.00	0.32%	9,758,486.94	97.56%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	20.8
Avg Ret Age	3.6
Years to ASL	17.2

Inflation Factor At 2.75% to ASL 1.59

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	73.88%
1988-2002	15-Year Trend	87.38%
1993-2002	10-Year Trend	95.85%
1998-2002	5-Year Trend	15.18%

Adjusted Salvage & C/O/R 15.18% 0.50% 14.68%

Kentucky Utilities

Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 344 - Generators

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	-	-	0.00%	-	0.00%	0.00	0.00%
1997	-	-	0.00%	-	0.00%	0.00	0.00%
1998	15,381.00	15,381.00	100.00%	-	0.00%	15,381.00	100.00%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	128,839.00	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 344 - Generators

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1996-1998	15,381.00	15,381.00	100.00%	0.00	0.00%	15,381.00	100.00%
1997-1999	15,381.00	15,381.00	100.00%	0.00	0.00%	15,381.00	100.00%
1998-2000	144,220.00	15,381.00	10.66%	0.00	0.00%	15,381.00	10.66%
1999-2001	128,839.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	128,839.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	144,220.00	15,381.00	10.66%	0.00	0.00%	15,381.00	10.66%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	23.9
Avg Ret Age	27.7
Years to ASL	-3.8

Inflation Factor At 2.75% to ASL 0.90

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	30.74%
1988-2002	15-Year Trend	35.57%
1993-2002	10-Year Trend	36.18%
1998-2002	5-Year Trend	-47.87%

Adjusted Salvage & C/O/R -47.87% 0.00% -47.87%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 345 - Accessory Electric Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	-	-	0.00%	-	0.00%	0.00	0.00%
1997	-	-	0.00%	-	0.00%	0.00	0.00%
1998	(10,814.00)	(10,814.00)	100.00%	-	0.00%	(10,814.00)	100.00%
1999	154,075.00	140,273.63	91.04%	-	0.00%	140,273.63	91.04%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 345 - Accessory Electric Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1996-1998	-10,814.00	-10,814.00	100.00%	0.00	0.00%	(10,814.00)	100.00%
1997-1999	143,261.00	129,459.63	90.37%	0.00	0.00%	129,459.63	90.37%
1998-2000	143,261.00	129,459.63	90.37%	0.00	0.00%	129,459.63	90.37%
1999-2001	154,075.00	140,273.63	91.04%	0.00	0.00%	140,273.63	91.04%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	143,261.00	129,459.63	90.37%	0.00	0.00%	129,459.63	90.37%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	23.3
Avg Ret Age	4.3
Years to ASL	19

Inflation Factor At 2.75% to ASL 1.67

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	59.47%
1988-2002	15-Year Trend	72.20%
1993-2002	10-Year Trend	85.85%
1998-2002	5-Year Trend	14.56%

Adjusted Salvage & C/O/R 14.56% 0.00% 14.56%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 346 - Miscellaneous Power Plant Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	-	-	0.00%	-	0.00%	0.00	0.00%
1997	-	-	0.00%	-	0.00%	0.00	0.00%
1998	(11,600.00)	(11,600.00)	100.00%	-	0.00%	(11,600.00)	100.00%
1999	182,339.00	166,005.86	91.04%	-	0.00%	166,005.86	91.04%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 346 - Miscellaneous Power Plant Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1996-1998	-11,600.00	-11,600.00	100.00%	0.00	0.00%	(11,600.00)	100.00%
1997-1999	170,739.00	154,405.86	90.43%	0.00	0.00%	154,405.86	90.43%
1998-2000	170,739.00	154,405.86	90.43%	0.00	0.00%	154,405.86	90.43%
1999-2001	182,339.00	166,005.86	91.04%	0.00	0.00%	166,005.86	91.04%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	170,739.00	154,405.86	90.43%	0.00	0.00%	154,405.86	90.43%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	12
Avg Ret Age	4.7
Years to ASL	7.3

Inflation Factor At 2.75% to ASL 1.22

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	59.49%
1988-2002	15-Year Trend	72.23%
1993-2002	10-Year Trend	85.88%
1998-2002	5-Year Trend	14.56%

Adjusted Salvage & C/O/R

14.56%

0.00%

14.56%

Kentucky Utilities
Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 352 - Transmission Structures and Improvements

Year	Original Cost of Retirements	Gross Salvage	%	Cost of Removal	%	Net Salvage	%
1964	1,793.00	280.00	15.62%	150.00	8.37%	130.00	7.25%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	679.00	523.00	77.03%	609.00	89.69%	(86.00)	-12.67%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	1,404.00	1,182.00	84.19%	748.00	53.28%	434.00	30.91%
1982	1,759.00	720.00	40.93%	806.00	45.82%	(86.00)	-4.89%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	2,967.00	356.00	12.00%	6,845.00	230.70%	(6,489.00)	-218.71%
1986	123.00	-	0.00%	-	0.00%	0.00	0.00%
1987	2,832.00	50.00	1.77%	1,256.00	44.35%	(1,206.00)	-42.58%
1988	2,848.00	-	0.00%	236.00	8.29%	(236.00)	-8.29%
1989	4,278.00	-	0.00%	1,477.00	34.53%	(1,477.00)	-34.53%
1990	2,315.00	236.00	10.19%	1,371.00	59.22%	(1,135.00)	-49.03%
1991	1,153.00	53.00	4.60%	3,350.00	290.55%	(3,297.00)	-285.95%
1992	3,413.00	-	0.00%	1,479.00	43.33%	(1,479.00)	-43.33%
1993	5,528.00	1,418.69	25.66%	14,439.05	261.20%	(13,020.36)	-235.53%
1994	4,241.00	620.65	14.63%	4,194.57	98.91%	(3,573.92)	-84.27%
1995	4,270.00	258.10	6.04%	5,441.20	127.43%	(5,183.10)	-121.38%
1996	6,059.00	1,369.50	22.60%	7,978.63	131.68%	(6,609.12)	-109.08%
1997	4,361.00	722.65	16.57%	7,984.05	183.08%	(7,261.40)	-166.51%
1998	8,608.00	5,606.25	65.13%	45,273.19	525.94%	(39,666.95)	-460.81%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	2,748.00	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

**Analysis of Experienced Salvage
1964 through 2002**

Account 352 - Transmission Structures and Improvements

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	1,793.00	280.00	15.62%	150.00	8.37%	130.00	7.25%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	679.00	523.00	77.03%	609.00	89.69%	(86.00)	-12.67%
1978-1980	679.00	523.00	77.03%	609.00	89.69%	(86.00)	-12.67%
1979-1981	2,083.00	1,705.00	81.85%	1,357.00	65.15%	348.00	16.71%
1980-1982	3,163.00	1,902.00	60.13%	1,554.00	49.13%	348.00	11.00%
1981-1983	3,163.00	1,902.00	60.13%	1,554.00	49.13%	348.00	11.00%
1982-1984	1,759.00	720.00	40.93%	806.00	45.82%	(86.00)	-4.89%
1983-1985	2,967.00	356.00	12.00%	6,845.00	230.70%	(6,489.00)	-218.71%
1984-1986	3,090.00	356.00	11.52%	6,845.00	221.52%	(6,489.00)	-210.00%
1985-1987	5,922.00	406.00	6.86%	8,101.00	136.80%	(7,695.00)	-129.94%
1986-1988	5,803.00	50.00	0.86%	1,492.00	25.71%	(1,442.00)	-24.85%
1987-1989	9,958.00	50.00	0.50%	2,969.00	29.82%	(2,919.00)	-29.31%
1988-1990	9,441.00	236.00	2.50%	3,084.00	32.67%	(2,848.00)	-30.17%
1989-1991	7,746.00	289.00	3.73%	6,198.00	80.02%	(5,909.00)	-76.28%
1990-1992	6,881.00	289.00	4.20%	6,200.00	90.10%	(5,911.00)	-85.90%
1991-1993	10,094.00	1,471.69	14.58%	19,268.05	190.89%	(17,796.36)	-176.31%
1992-1994	13,182.00	2,039.34	15.47%	20,112.62	152.58%	(18,073.28)	-137.11%
1993-1995	14,039.00	2,297.44	16.36%	24,074.82	171.49%	(21,777.38)	-155.12%
1994-1996	14,570.00	2,248.25	15.43%	17,614.40	120.89%	(15,366.15)	-105.46%
1995-1997	14,690.00	2,350.25	16.00%	21,403.88	145.70%	(19,053.62)	-129.70%
1996-1998	19,028.00	7,698.40	40.46%	61,235.87	321.82%	(53,537.47)	-281.36%
1997-1999	12,969.00	6,328.90	48.80%	53,257.24	410.65%	(46,928.35)	-361.85%
1998-2000	11,356.00	5,606.25	49.37%	45,273.19	398.67%	(39,666.95)	-349.30%
1999-2001	2,748.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	2,748.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	61,379.00	13,395.84	21.82%	103,637.69	168.85%	-90,241.85	-147.02%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	45
Avg Ret Age	27.4
Years to ASL	17.6

Inflation Factor At 2.75% to ASL 1.61

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	17.45%
1988-2002	15-Year Trend	29.99%
1993-2002	10-Year Trend	23.32%
1998-2002	5-Year Trend	-11.19%

Adjusted Salvage & C/O/R -11.19% 272.18% -283.37%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 353.10 - Station Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	231,784.00	68,410.00	29.51%	9,539.00	4.12%	58,871.00	25.40%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	145,196.00	30,217.00	20.81%	53,297.00	36.71%	(23,080.00)	-15.90%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	62,147.00	12,605.00	20.28%	7,354.00	11.83%	5,251.00	8.45%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	229,655.00	14,319.00	6.24%	6,280.00	2.73%	8,039.00	3.50%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	42,471.00	29,347.00	69.10%	10,018.00	23.59%	19,329.00	45.51%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	92,234.00	76,610.00	83.06%	17,103.00	18.54%	59,507.00	64.52%
1980	86,293.00	22,510.00	26.09%	7,900.00	9.15%	14,610.00	16.93%
1981	129,907.00	65,724.00	50.59%	8,078.00	6.22%	57,646.00	44.37%
1982	183,882.00	225,009.00	122.37%	21,691.00	11.80%	203,318.00	110.57%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	217,959.00	17,298.00	7.94%	29,125.00	13.36%	(11,827.00)	-5.43%
1986	83,514.00	120,284.00	144.03%	28,837.00	34.53%	91,447.00	109.50%
1987	315,181.00	346,746.00	110.01%	15,504.00	4.92%	331,242.00	105.10%
1988	664,658.00	196,822.00	29.61%	20,376.00	3.07%	176,446.00	26.55%
1989	139,315.00	111,417.00	79.97%	21,617.00	15.52%	89,800.00	64.46%
1990	1,671,727.00	731,144.00	43.74%	44,364.00	2.65%	686,780.00	41.08%
1991	49,294.00	17,144.00	34.78%	9,914.00	20.11%	7,230.00	14.67%
1992	37,025.00	32,616.00	88.09%	14,796.00	39.96%	17,820.00	48.13%
1993	154,863.00	265,097.17	171.18%	30,251.56	19.53%	234,845.60	151.65%
1994	64,157.00	122,449.90	190.86%	4,745.62	7.40%	117,704.28	183.46%
1995	467,663.00	319,964.22	68.42%	44,568.61	9.53%	275,395.61	58.89%
1996	195,045.00	132,188.19	67.77%	19,086.85	9.79%	113,101.34	57.99%
1997	276,887.00	235,632.65	85.10%	37,911.36	13.69%	197,721.29	71.41%
1998	172,024.00	340,124.57	197.72%	67,663.97	39.33%	272,460.60	158.39%
1999	32,328.00	9,023.14	27.91%	3,723.80	11.52%	5,299.34	16.39%
2000	39,477.00	-	0.00%	8,120.00	20.57%	(8,120.00)	-20.57%
2001	1,974,611.00	40,000.00	2.03%	1,727.00	0.09%	38,273.00	1.94%
2002	12,798.00	-	0.00%	7,990.00	62.43%	(7,990.00)	-62.43%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 353.10 - Station Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	231,784.00	68,410.00	29.51%	9,539.00	4.12%	58,871.00	25.40%
1965-1967	145,196.00	30,217.00	20.81%	53,297.00	36.71%	(23,080.00)	-15.90%
1966-1968	145,196.00	30,217.00	20.81%	53,297.00	36.71%	(23,080.00)	-15.90%
1967-1969	145,196.00	30,217.00	20.81%	53,297.00	36.71%	(23,080.00)	-15.90%
1968-1970	62,147.00	12,605.00	20.28%	7,354.00	11.83%	5,251.00	8.45%
1969-1971	62,147.00	12,605.00	20.28%	7,354.00	11.83%	5,251.00	8.45%
1970-1972	62,147.00	12,605.00	20.28%	7,354.00	11.83%	5,251.00	8.45%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	229,655.00	14,319.00	6.24%	6,280.00	2.73%	8,039.00	3.50%
1974-1976	229,655.00	14,319.00	6.24%	6,280.00	2.73%	8,039.00	3.50%
1975-1977	272,126.00	43,666.00	16.05%	16,298.00	5.99%	27,368.00	10.06%
1976-1978	42,471.00	29,347.00	69.10%	10,018.00	23.59%	19,329.00	45.51%
1977-1979	134,705.00	105,957.00	78.66%	27,121.00	20.13%	78,836.00	58.52%
1978-1980	178,527.00	99,120.00	55.52%	25,003.00	14.01%	74,117.00	41.52%
1979-1981	308,434.00	164,844.00	53.45%	33,081.00	10.73%	131,763.00	42.72%
1980-1982	400,082.00	313,243.00	78.29%	37,669.00	9.42%	275,574.00	68.88%
1981-1983	313,789.00	290,733.00	92.65%	29,769.00	9.49%	260,964.00	83.17%
1982-1984	183,882.00	225,009.00	122.37%	21,691.00	11.80%	203,318.00	110.57%
1983-1985	217,959.00	17,298.00	7.94%	29,125.00	13.36%	(11,827.00)	-5.43%
1984-1986	301,473.00	137,582.00	45.64%	57,962.00	19.23%	79,620.00	26.41%
1985-1987	616,654.00	484,328.00	78.54%	73,466.00	11.91%	410,862.00	66.63%
1986-1988	1,063,353.00	663,852.00	62.43%	64,717.00	6.09%	599,135.00	56.34%
1987-1989	1,119,154.00	654,985.00	58.53%	57,497.00	5.14%	597,488.00	53.39%
1988-1990	2,475,700.00	1,039,383.00	41.98%	86,357.00	3.49%	953,026.00	38.50%
1989-1991	1,860,336.00	859,705.00	46.21%	75,895.00	4.08%	783,810.00	42.13%
1990-1992	1,758,046.00	780,904.00	44.42%	69,074.00	3.93%	711,830.00	40.49%
1991-1993	241,182.00	314,857.17	130.55%	54,961.56	22.79%	259,895.60	107.76%
1992-1994	256,045.00	420,163.07	164.10%	49,793.18	19.45%	370,369.89	144.65%
1993-1995	686,683.00	707,511.29	103.03%	79,565.79	11.59%	627,945.49	91.45%
1994-1996	726,865.00	574,602.31	79.05%	68,401.08	9.41%	506,201.23	69.64%
1995-1997	939,595.00	687,785.05	73.20%	101,566.82	10.81%	586,218.23	62.39%
1996-1998	643,956.00	707,945.41	109.94%	124,662.18	19.36%	583,283.23	90.58%
1997-1999	481,239.00	584,780.36	121.52%	109,299.13	22.71%	475,481.23	98.80%
1998-2000	243,829.00	349,147.71	143.19%	79,507.77	32.61%	269,639.94	110.59%
1999-2001	2,046,416.00	49,023.14	2.40%	13,570.80	0.66%	35,452.34	1.73%
2000-2002	2,026,886.00	40,000.00	1.97%	17,837.00	0.88%	22,163.00	1.09%
1964-2002	7,772,095.00	3,582,701.84	46.10%	551,581.78	7.10%	3,031,120.06	39.00%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	58
Avg Ret Age	19.4
Years to ASL	38.6

Inflation Factor At 2.75% to ASL 2.85

Adjusted Salvage & C/O/R

-24.71%

20.22%

-44.93%

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	81.09%
1988-2002	15-Year Trend	80.09%
1993-2002	10-Year Trend	28.76%
1998-2002	5-Year Trend	-24.71%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 353.20 - Station Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	3,556.00	-	0.00%	920.00	25.87%	(920.00)	-25.87%
1989	1,138.00	-	0.00%	177.00	15.55%	(177.00)	-15.55%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	214.00	127.00	59.35%	6.00	2.80%	121.00	56.54%
1992	2,236.00	-	0.00%	-	0.00%	0.00	0.00%
1993	30,267.00	13.14	0.04%	215.54	0.71%	(202.39)	-0.67%
1994	560.00	0.14	0.02%	1.51	0.27%	(1.37)	-0.24%
1995	908,613.00	92.93	0.01%	3,156.66	0.35%	(3,063.73)	-0.34%
1996	(33,863.00)	(0.00)	0.00%	(0.00)	0.00%	0.00	0.00%
1997	228,557.00	64.09	0.03%	1,140.81	0.50%	(1,076.73)	-0.47%
1998	118,712.00	130.82	0.11%	1,702.22	1.43%	(1,571.40)	-1.32%
1999	36,339.00	10.14	0.03%	152.59	0.42%	(142.45)	-0.39%
2000	557,183.00	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 353.20 - Station Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	3,556.00	0.00	0.00%	920.00	25.87%	(920.00)	-25.87%
1987-1989	4,694.00	0.00	0.00%	1,097.00	23.37%	(1,097.00)	-23.37%
1988-1990	4,694.00	0.00	0.00%	1,097.00	23.37%	(1,097.00)	-23.37%
1989-1991	1,352.00	127.00	9.39%	183.00	13.54%	(56.00)	-4.14%
1990-1992	2,450.00	127.00	5.18%	6.00	0.24%	121.00	4.94%
1991-1993	32,717.00	140.14	0.43%	221.54	0.68%	(81.39)	-0.25%
1992-1994	33,063.00	13.28	0.04%	217.05	0.66%	(203.76)	-0.62%
1993-1995	939,440.00	106.21	0.01%	3,373.71	0.36%	(3,267.49)	-0.35%
1994-1996	875,310.00	93.07	0.01%	3,158.16	0.36%	(3,065.10)	-0.35%
1995-1997	1,103,307.00	157.01	0.01%	4,297.47	0.39%	(4,140.45)	-0.38%
1996-1998	313,406.00	194.91	0.06%	2,843.03	0.91%	(2,648.12)	-0.84%
1997-1999	383,608.00	205.05	0.05%	2,995.62	0.78%	(2,790.57)	-0.73%
1998-2000	712,234.00	140.96	0.02%	1,854.81	0.26%	(1,713.85)	-0.24%
1999-2001	593,522.00	10.14	0.00%	152.59	0.03%	(142.45)	-0.02%
2000-2002	557,183.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	1,853,512.00	438.26	0.02%	7,472.33	0.40%	-7,034.06	-0.38%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	15
Avg Ret Age	16.7
Years to ASL	-1.7
Inflation Factor At 2.75% to ASL	0.95

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	0.52%
1988-2002	15-Year Trend	-0.51%
1993-2002	10-Year Trend	-0.07%
1998-2002	5-Year Trend	-0.03%

Adjusted Salvage & C/O/R -0.03% 0.38% -0.41%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 354 - Tower and fixtures

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	653.00	14.00	2.14%	1,053.00	161.26%	(1,039.00)	-159.11%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	4,069.00	2,189.00	53.80%	8,375.00	205.82%	(6,186.00)	-152.03%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	46,976.00	3,522.00	7.50%	3,825.00	8.14%	(303.00)	-0.65%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	15,270.00	16,511.00	108.13%	16,037.00	105.02%	474.00	3.10%
1980	3,393.00	2,471.00	72.83%	3,724.00	109.76%	(1,253.00)	-36.93%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	7,904.00	-	0.00%	168.00	2.13%	(168.00)	-2.13%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	7,239.00	604.00	8.34%	10,771.00	148.79%	(10,167.00)	-140.45%
1986	18,776.00	14,112.00	75.16%	6,598.00	35.14%	7,514.00	40.02%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	27,311.00	-	0.00%	(18.00)	-0.07%	18.00	0.07%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	66,666.00	46,938.00	70.41%	53,275.00	79.91%	(6,337.00)	-9.51%
1991	47,110.00	25,939.00	55.06%	22,658.00	48.10%	3,281.00	6.96%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	51,557.00	41,965.25	81.40%	64,498.46	125.10%	(22,533.21)	-43.71%
1997	114,123.00	104,607.80	91.66%	198,492.85	173.93%	(93,885.05)	-82.27%
1998	-	-	0.00%	-	0.00%	0.00	0.00%
1999	18,830.00	7,518.19	39.93%	27,552.65	146.32%	(20,034.45)	-106.40%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	20,206.00	-	0.00%	54,410.00	269.28%	(54,410.00)	-269.28%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 354 - Tower and fixtures

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	653.00	14.00	2.14%	1,053.00	161.26%	(1,039.00)	-159.11%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	4,069.00	2,189.00	53.80%	8,375.00	205.82%	(6,186.00)	-152.03%
1969-1971	4,069.00	2,189.00	53.80%	8,375.00	205.82%	(6,186.00)	-152.03%
1970-1972	4,069.00	2,189.00	53.80%	8,375.00	205.82%	(6,186.00)	-152.03%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	46,976.00	3,522.00	7.50%	3,825.00	8.14%	(303.00)	-0.65%
1974-1976	46,976.00	3,522.00	7.50%	3,825.00	8.14%	(303.00)	-0.65%
1975-1977	46,976.00	3,522.00	7.50%	3,825.00	8.14%	(303.00)	-0.65%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	15,270.00	16,511.00	108.13%	16,037.00	105.02%	474.00	3.10%
1978-1980	18,663.00	18,982.00	101.71%	19,761.00	105.88%	(779.00)	-4.17%
1979-1981	18,663.00	18,982.00	101.71%	19,761.00	105.88%	(779.00)	-4.17%
1980-1982	11,297.00	2,471.00	21.87%	3,892.00	34.45%	(1,421.00)	-12.58%
1981-1983	7,904.00	0.00	0.00%	168.00	2.13%	(168.00)	-2.13%
1982-1984	7,904.00	0.00	0.00%	168.00	2.13%	(168.00)	-2.13%
1983-1985	7,239.00	604.00	8.34%	10,771.00	148.79%	(10,167.00)	-140.45%
1984-1986	26,015.00	14,716.00	56.57%	17,369.00	66.77%	(2,653.00)	-10.20%
1985-1987	26,015.00	14,716.00	56.57%	17,369.00	66.77%	(2,653.00)	-10.20%
1986-1988	46,087.00	14,112.00	30.62%	6,580.00	14.28%	7,532.00	16.34%
1987-1989	27,311.00	0.00	0.00%	(18.00)	-0.07%	18.00	0.07%
1988-1990	93,977.00	46,938.00	49.95%	53,257.00	56.67%	(6,319.00)	-6.72%
1989-1991	113,776.00	72,877.00	64.05%	75,933.00	66.74%	(3,056.00)	-2.69%
1990-1992	113,776.00	72,877.00	64.05%	75,933.00	66.74%	(3,056.00)	-2.69%
1991-1993	47,110.00	25,939.00	55.06%	22,658.00	48.10%	3,281.00	6.96%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	51,557.00	41,965.25	81.40%	64,498.46	125.10%	(22,533.21)	-43.71%
1995-1997	165,680.00	146,573.06	88.47%	262,991.31	158.73%	(116,418.26)	-70.27%
1996-1998	165,680.00	146,573.06	88.47%	262,991.31	158.73%	(116,418.26)	-70.27%
1997-1999	132,953.00	112,126.00	84.34%	226,045.50	170.02%	(113,919.50)	-85.68%
1998-2000	18,830.00	7,518.19	39.93%	27,552.65	146.32%	(20,034.45)	-106.40%
1999-2001	18,830.00	7,518.19	39.93%	27,552.65	146.32%	(20,034.45)	-106.40%
2000-2002	20,206.00	0.00	0.00%	54,410.00	269.28%	(54,410.00)	-269.28%
1964-2002	450,083.00	266,391.25	59.19%	471,419.96	104.74%	-205,028.71	-45.55%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	55
Avg Ret Age	24.1
Years to ASL	30.9
Inflation Factor At 2.75% to ASL	2.31

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	60.15%
1988-2002	15-Year Trend	53.68%
1993-2002	10-Year Trend	47.50%
1998-2002	5-Year Trend	-15.87%

Adjusted Salvage & C/O/R -15.87% 242.20% -258.07%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 355 - Poles and Fixtures

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	198,776.00	47,357.00	23.82%	72,947.00	36.70%	(25,590.00)	-12.87%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	98,578.00	12,347.00	12.53%	35,526.00	36.04%	(23,179.00)	-23.51%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	164,297.00	34,212.00	20.82%	64,582.00	39.31%	(30,370.00)	-18.48%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	446,074.00	64,103.00	14.37%	6,694.00	1.50%	57,409.00	12.87%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	53,762.00	9,758.00	18.15%	2,260.00	4.20%	7,498.00	13.95%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	99,941.00	22,289.00	22.30%	29,625.00	29.64%	(7,336.00)	-7.34%
1980	158,983.00	47,152.00	29.66%	159,297.00	100.20%	(112,145.00)	-70.54%
1981	155,554.00	22,446.00	14.43%	57,751.00	37.13%	(35,305.00)	-22.70%
1982	144,181.00	14,041.00	9.74%	74,982.00	52.01%	(60,941.00)	-42.27%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	295,387.00	21,727.00	7.36%	195,597.00	66.22%	(173,870.00)	-58.86%
1986	195,216.00	44,998.00	23.05%	162,611.00	83.30%	(117,613.00)	-60.25%
1987	457,818.00	51,935.00	11.34%	338,082.00	73.85%	(286,147.00)	-62.50%
1988	604,760.00	(22,884.00)	-3.78%	70,631.00	11.68%	(93,515.00)	-15.46%
1989	208,004.00	14,916.00	7.17%	153,267.00	73.68%	(138,351.00)	-66.51%
1990	384,788.00	97,256.00	25.28%	293,719.00	76.33%	(196,463.00)	-51.06%
1991	188,629.00	30,560.00	16.20%	166,567.00	88.30%	(136,007.00)	-72.10%
1992	211,558.00	31,821.00	15.04%	216,832.00	102.49%	(185,011.00)	-87.45%
1993	143,338.00	35,067.09	24.46%	275,680.43	192.33%	(240,613.34)	-167.86%
1994	236,308.00	32,966.64	13.95%	172,096.43	72.83%	(139,129.80)	-58.88%
1995	242,108.00	13,950.32	5.76%	227,169.30	93.83%	(213,218.98)	-88.07%
1996	387,362.00	83,463.64	21.55%	375,593.67	96.96%	(292,130.04)	-75.42%
1997	220,947.00	34,901.83	15.80%	297,851.19	134.81%	(262,949.36)	-119.01%
1998	130,720.00	81,157.78	62.09%	506,238.19	387.27%	(425,080.41)	-325.18%
1999	357,287.00	56,168.36	15.72%	405,200.28	113.41%	(349,031.93)	-97.69%
2000	48,954.00	-	0.00%	-	0.00%	0.00	0.00%
2001	289,828.00	2,277.00	0.79%	186,232.00	64.26%	(183,955.00)	-63.47%
2002	39,323.00	17,174.00	43.67%	58,921.00	149.84%	(41,747.00)	-106.16%

Kentucky Utilities
Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 355 - Poles and Fixtures

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	198,776.00	47,357.00	23.82%	72,947.00	36.70%	(25,590.00)	-12.87%
1965-1967	98,578.00	12,347.00	12.53%	35,526.00	36.04%	(23,179.00)	-23.51%
1966-1968	98,578.00	12,347.00	12.53%	35,526.00	36.04%	(23,179.00)	-23.51%
1967-1969	98,578.00	12,347.00	12.53%	35,526.00	36.04%	(23,179.00)	-23.51%
1968-1970	164,297.00	34,212.00	20.82%	64,582.00	39.31%	(30,370.00)	-18.48%
1969-1971	164,297.00	34,212.00	20.82%	64,582.00	39.31%	(30,370.00)	-18.48%
1970-1972	164,297.00	34,212.00	20.82%	64,582.00	39.31%	(30,370.00)	-18.48%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	446,074.00	64,103.00	14.37%	6,694.00	1.50%	57,409.00	12.87%
1974-1976	446,074.00	64,103.00	14.37%	6,694.00	1.50%	57,409.00	12.87%
1975-1977	499,836.00	73,861.00	14.78%	8,954.00	1.79%	64,907.00	12.99%
1976-1978	53,762.00	9,758.00	18.15%	2,260.00	4.20%	7,498.00	13.95%
1977-1979	153,703.00	32,047.00	20.85%	31,885.00	20.74%	162.00	0.11%
1978-1980	258,924.00	69,441.00	26.82%	188,922.00	72.96%	(119,481.00)	-46.15%
1979-1981	414,478.00	91,887.00	22.17%	246,673.00	59.51%	(154,786.00)	-37.34%
1980-1982	458,718.00	83,639.00	18.23%	292,030.00	63.66%	(208,391.00)	-45.43%
1981-1983	299,735.00	36,487.00	12.17%	132,733.00	44.28%	(96,246.00)	-32.11%
1982-1984	144,181.00	14,041.00	9.74%	74,982.00	52.01%	(60,941.00)	-42.27%
1983-1985	295,387.00	21,727.00	7.36%	195,597.00	66.22%	(173,870.00)	-58.86%
1984-1986	490,603.00	66,725.00	13.60%	358,208.00	73.01%	(291,483.00)	-59.41%
1985-1987	948,421.00	118,660.00	12.51%	696,290.00	73.42%	(577,630.00)	-60.90%
1986-1988	1,257,794.00	74,049.00	5.89%	571,324.00	45.42%	(497,275.00)	-39.54%
1987-1989	1,270,582.00	43,967.00	3.46%	561,980.00	44.23%	(518,013.00)	-40.77%
1988-1990	1,197,552.00	89,288.00	7.46%	517,617.00	43.22%	(428,329.00)	-35.77%
1989-1991	781,421.00	142,732.00	18.27%	613,553.00	78.52%	(470,821.00)	-60.25%
1990-1992	784,975.00	159,637.00	20.34%	677,118.00	86.26%	(517,481.00)	-65.92%
1991-1993	543,525.00	97,448.09	17.93%	659,079.43	121.26%	(561,631.34)	-103.33%
1992-1994	591,204.00	99,854.72	16.89%	664,608.86	112.42%	(564,754.14)	-95.53%
1993-1995	621,754.00	81,984.05	13.19%	674,946.17	108.56%	(592,962.12)	-95.37%
1994-1996	865,778.00	130,380.60	15.06%	774,859.41	89.50%	(644,478.81)	-74.44%
1995-1997	850,417.00	132,315.79	15.56%	900,614.17	105.90%	(768,298.38)	-90.34%
1996-1998	739,029.00	199,523.25	27.00%	1,179,683.05	159.63%	(980,159.81)	-132.63%
1997-1999	708,954.00	172,227.96	24.29%	1,209,289.66	170.57%	(1,037,061.70)	-146.28%
1998-2000	536,961.00	137,326.13	25.57%	911,438.47	169.74%	(774,112.34)	-144.17%
1999-2001	696,069.00	58,445.36	8.40%	591,432.28	84.97%	(532,986.93)	-76.57%
2000-2002	378,105.00	19,451.00	5.14%	245,153.00	64.84%	(225,702.00)	-59.69%
1964-2002	6,162,481.00	901,160.65	14.62%	4,605,952.51	74.74%	-3,704,791.86	-60.12%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	50
Avg Ret Age	23.4
Years to ASL	26.6

Inflation Factor At 2.75% to ASL 2.06

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	18.77%
1988-2002	15-Year Trend	19.32%
1993-2002	10-Year Trend	14.46%
1998-2002	5-Year Trend	0.20%

Adjusted Salvage & C/O/R 0.20% 153.80% -153.60%

Kentucky Utilities
Electric

Analysis of Experienced Salvage
1964 through 2002

Account 356 - Overhead Conductors and Devices

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	388,995.00	90,900.00	23.37%	133,716.00	34.37%	(42,816.00)	-11.01%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	73,433.00	57,734.00	78.62%	27,409.00	37.33%	30,325.00	41.30%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	164,675.00	88,594.00	53.80%	51,686.00	31.39%	36,908.00	22.41%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	413,601.00	168,867.00	40.83%	129,292.00	31.26%	39,575.00	9.57%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	90,929.00	287,429.00	316.10%	28,342.00	31.17%	259,087.00	284.93%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	151,225.00	73,172.00	48.39%	55,457.00	36.67%	17,715.00	11.71%
1980	154,215.00	76,493.00	49.60%	158,423.00	102.73%	(81,930.00)	-53.13%
1981	250,372.00	69,550.00	27.78%	89,201.00	35.63%	(19,651.00)	-7.85%
1982	76,509.00	25,421.00	33.23%	42,579.00	55.65%	(17,158.00)	-22.43%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	271,431.00	201,672.00	74.30%	241,007.00	88.79%	(39,335.00)	-14.49%
1986	168,572.00	150,527.00	89.30%	103,081.00	61.15%	47,446.00	28.15%
1987	376,013.00	123,282.00	32.79%	268,761.00	71.48%	(145,479.00)	-38.69%
1988	449,663.00	234,465.00	52.14%	34,559.00	7.69%	199,906.00	44.46%
1989	109,255.00	181,512.00	166.14%	28,945.00	26.49%	152,567.00	139.64%
1990	445,041.00	526,486.00	118.30%	215,298.00	48.38%	311,188.00	69.92%
1991	93,074.00	96,445.00	103.62%	44,036.00	47.31%	52,409.00	56.31%
1992	115,355.00	420,968.00	364.93%	88,985.00	77.14%	331,983.00	287.79%
1993	22,522.00	80,485.25	357.36%	43,594.35	193.56%	36,890.90	163.80%
1994	170,373.00	675,391.69	396.42%	124,874.24	73.29%	550,517.45	323.12%
1995	175,759.00	249,965.23	142.22%	165,972.73	94.43%	83,992.50	47.79%
1996	416,487.00	596,824.31	143.30%	406,425.88	97.58%	190,398.43	45.72%
1997	107,536.00	191,639.79	178.21%	145,896.12	135.67%	45,743.66	42.54%
1998	35,818.00	149,683.44	417.90%	139,602.39	389.75%	10,081.06	28.15%
1999	190,072.00	114,137.54	60.05%	216,944.84	114.14%	(102,807.30)	-54.09%
2000	8,372.00	-	0.00%	79,307.00	947.29%	(79,307.00)	-947.29%
2001	199,729.00	2,842.47	1.42%	234,533.00	117.43%	(231,690.53)	-116.00%
2002	32,589.00	7,007.00	21.50%	88,020.00	270.09%	(81,013.00)	-248.59%

Kentucky Utilities
Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 356 - Overhead Conductors and Devices

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	388,995.00	90,900.00	23.37%	133,716.00	34.37%	(42,816.00)	-11.01%
1965-1967	73,433.00	57,734.00	78.62%	27,409.00	37.33%	30,325.00	41.30%
1966-1968	73,433.00	57,734.00	78.62%	27,409.00	37.33%	30,325.00	41.30%
1967-1969	73,433.00	57,734.00	78.62%	27,409.00	37.33%	30,325.00	41.30%
1968-1970	164,675.00	88,594.00	53.80%	51,686.00	31.39%	36,908.00	22.41%
1969-1971	164,675.00	88,594.00	53.80%	51,686.00	31.39%	36,908.00	22.41%
1970-1972	164,675.00	88,594.00	53.80%	51,686.00	31.39%	36,908.00	22.41%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	413,601.00	168,867.00	40.83%	129,292.00	31.26%	39,575.00	9.57%
1974-1976	413,601.00	168,867.00	40.83%	129,292.00	31.26%	39,575.00	9.57%
1975-1977	504,530.00	456,296.00	90.44%	157,634.00	31.24%	298,662.00	59.20%
1976-1978	90,929.00	287,429.00	316.10%	28,342.00	31.17%	259,087.00	284.93%
1977-1979	242,154.00	360,601.00	148.91%	83,799.00	34.61%	276,802.00	114.31%
1978-1980	305,440.00	149,665.00	49.00%	213,880.00	70.02%	(64,215.00)	-21.02%
1979-1981	555,812.00	219,215.00	39.44%	303,081.00	54.53%	(83,866.00)	-15.09%
1980-1982	481,096.00	171,464.00	35.64%	290,203.00	60.32%	(118,739.00)	-24.68%
1981-1983	326,881.00	94,971.00	29.05%	131,780.00	40.31%	(36,809.00)	-11.26%
1982-1984	76,509.00	25,421.00	33.23%	42,579.00	55.65%	(17,158.00)	-22.43%
1983-1985	271,431.00	201,672.00	74.30%	241,007.00	88.79%	(39,335.00)	-14.49%
1984-1986	440,003.00	352,199.00	80.04%	344,088.00	78.20%	8,111.00	1.84%
1985-1987	816,016.00	475,481.00	58.27%	612,849.00	75.10%	(137,368.00)	-16.83%
1986-1988	994,248.00	508,274.00	51.12%	406,401.00	40.88%	101,873.00	10.25%
1987-1989	934,931.00	539,259.00	57.68%	332,265.00	35.54%	206,994.00	22.14%
1988-1990	1,003,959.00	942,463.00	93.87%	278,802.00	27.77%	663,661.00	66.10%
1989-1991	647,370.00	804,443.00	124.26%	288,279.00	44.53%	516,164.00	79.73%
1990-1992	653,470.00	1,043,899.00	159.75%	348,319.00	53.30%	695,580.00	106.44%
1991-1993	230,951.00	597,898.25	258.89%	176,615.35	76.47%	421,282.90	182.41%
1992-1994	308,250.00	1,176,844.93	381.78%	257,453.59	83.52%	919,391.34	298.26%
1993-1995	368,654.00	1,005,842.16	272.84%	334,441.32	90.72%	671,400.84	182.12%
1994-1996	762,619.00	1,522,181.22	199.60%	697,272.84	91.43%	824,908.38	108.17%
1995-1997	699,782.00	1,038,429.32	148.39%	718,294.73	102.65%	320,134.60	45.75%
1996-1998	559,841.00	938,147.54	167.57%	691,924.39	123.59%	246,223.15	43.98%
1997-1999	333,426.00	455,460.77	136.60%	502,443.35	150.69%	(46,982.57)	-14.09%
1998-2000	234,262.00	263,820.98	112.62%	435,854.22	186.05%	(172,033.24)	-73.44%
1999-2001	398,173.00	116,980.01	29.38%	530,784.84	133.31%	(413,804.83)	-103.93%
2000-2002	240,690.00	9,849.47	4.09%	401,860.00	166.96%	(392,010.53)	-162.87%
1964-2002	5,151,615.00	4,941,493.71	95.92%	3,385,947.54	65.73%	1,555,546.17	30.20%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	58
Avg Ret Age	28.2
Years to ASL	29.8

Inflation Factor At 2.75% to ASL 2.24

Adjusted Salvage & C/O/R -40.20%

147.51%

-187.72%

<u>Gross Salv. Trend Analysis*</u>		
1983-2002	20-Year Trend	167.94%
1988-2002	15-Year Trend	125.55%
1993-2002	10-Year Trend	-19.85%
1998-2002	5-Year Trend	-40.20%

Kentucky Utilities
Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 357 - Underground Conduit

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964			0.00%		0.00%	0.00	0.00%
1965			0.00%		0.00%	0.00	0.00%
1966			0.00%		0.00%	0.00	0.00%
1967			0.00%		0.00%	0.00	0.00%
1968			0.00%		0.00%	0.00	0.00%
1969			0.00%		0.00%	0.00	0.00%
1970			0.00%		0.00%	0.00	0.00%
1971			0.00%		0.00%	0.00	0.00%
1972			0.00%		0.00%	0.00	0.00%
1973			0.00%		0.00%	0.00	0.00%
1974			0.00%		0.00%	0.00	0.00%
1975			0.00%		0.00%	0.00	0.00%
1976			0.00%		0.00%	0.00	0.00%
1977			0.00%		0.00%	0.00	0.00%
1978			0.00%		0.00%	0.00	0.00%
1979			0.00%		0.00%	0.00	0.00%
1980			0.00%		0.00%	0.00	0.00%
1981			0.00%		0.00%	0.00	0.00%
1982			0.00%		0.00%	0.00	0.00%
1983			0.00%		0.00%	0.00	0.00%
1984			0.00%		0.00%	0.00	0.00%
1985			0.00%		0.00%	0.00	0.00%
1986			0.00%		0.00%	0.00	0.00%
1987			0.00%		0.00%	0.00	0.00%
1988			0.00%		0.00%	0.00	0.00%
1989			0.00%		0.00%	0.00	0.00%
1990			0.00%		0.00%	0.00	0.00%
1991			0.00%		0.00%	0.00	0.00%
1992			0.00%		0.00%	0.00	0.00%
1993			0.00%		0.00%	0.00	0.00%
1994			0.00%		0.00%	0.00	0.00%
1995			0.00%		0.00%	0.00	0.00%
1996			0.00%		0.00%	0.00	0.00%
1997			0.00%		0.00%	0.00	0.00%
1998			0.00%		0.00%	0.00	0.00%
1999			0.00%		0.00%	0.00	0.00%
2000			0.00%		0.00%	0.00	0.00%
2001			0.00%		0.00%	0.00	0.00%
2002			0.00%		0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 357 - Underground Conduit

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1996-1998	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1997-1999	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1998-2000	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999-2001	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	50
Avg Ret Age	14.5
Years to ASL	35.5

Inflation Factor At 2.75% to ASL 2.62

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	0.00%
1988-2002	15-Year Trend	0.00%
1993-2002	10-Year Trend	0.00%
1998-2002	5-Year Trend	0.00%

Adjusted Salvage & C/O/R 0.00% 0.00% 0.00%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 358 - Underground Conductors and Devices

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	-	-	0.00%	-	0.00%	0.00	0.00%
1980	-	-	0.00%	-	0.00%	0.00	0.00%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	-	-	0.00%	-	0.00%	0.00	0.00%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	-	-	0.00%	-	0.00%	0.00	0.00%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	-	-	0.00%	-	0.00%	0.00	0.00%
1997	(19.00)	-	0.00%	-	0.00%	0.00	0.00%
1998	-	-	0.00%	-	0.00%	0.00	0.00%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

**Analysis of Experienced Salvage
1964 through 2002**

Account 358 - Underground Conductors and Devices

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1978-1980	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1979-1981	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1980-1982	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1985-1987	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1986-1988	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1987-1989	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1988-1990	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1989-1991	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	-19.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1996-1998	-19.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1997-1999	-19.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1998-2000	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999-2001	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	-19.00	0.00	0.00%	0.00	0.00%	0.00	0.00%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	30
Avg Ret Age	13.2
Years to ASL	16.8

Inflation Factor At 2.75% to ASL 1.58

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	0.00%
1988-2002	15-Year Trend	0.00%
1993-2002	10-Year Trend	0.00%
1998-2002	5-Year Trend	0.00%

Adjusted Salvage & C/O/R 0.00% 0.00% 0.00%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 361 - Distribution Structures and Improvements

Year	Original Cost of Retirements	Gross Salvage	%	Cost of Removal	%	Net Salvage	%
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	5,479.00	2,444.00	44.61%	439.00	8.01%	2,005.00	36.59%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	6,918.00	2,141.00	30.95%	1,323.00	19.12%	818.00	11.82%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	2,564.00	1,132.00	44.15%	501.00	19.54%	631.00	24.61%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	-	-	0.00%	-	0.00%	0.00	0.00%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	2,305.00	2,062.00	89.46%	20.00	0.87%	2,042.00	88.59%
1980	2,419.00	985.00	40.72%	723.00	29.89%	262.00	10.83%
1981	809.00	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	423.00	46.00	10.87%	23.00	5.44%	23.00	5.44%
1986	4,608.00	1,688.00	36.63%	3,803.00	82.53%	(2,115.00)	-45.90%
1987	11,848.00	2,266.00	19.13%	1,210.00	10.21%	1,056.00	8.91%
1988	18,270.00	213.00	1.17%	3,928.00	21.50%	(3,715.00)	-20.33%
1989	98.00	164.00	167.35%	74.00	75.51%	90.00	91.84%
1990	893.00	495.00	55.43%	1,874.00	209.85%	(1,379.00)	-154.42%
1991	11,463.00	2,874.00	25.07%	2,254.00	19.66%	620.00	5.41%
1992	4,137.00	177.00	4.28%	1,709.00	41.31%	(1,532.00)	-37.03%
1993	9,409.00	2,177.47	23.14%	2,995.55	31.84%	(818.08)	-8.69%
1994	16,575.00	1,647.44	9.94%	3,034.50	18.31%	(1,387.06)	-8.37%
1995	9,036.00	2,141.71	23.70%	2,139.97	23.68%	1.74	0.02%
1996	47,792.00	4,367.17	9.14%	7,546.72	15.79%	(3,179.55)	-6.65%
1997	21,041.00	2,482.04	11.80%	4,137.86	19.67%	(1,655.83)	-7.87%
1998	9,106.00	1,111.94	12.21%	2,360.60	25.92%	(1,248.66)	-13.71%
1999	3,132.00	286.47	9.15%	526.50	16.81%	(240.02)	-7.66%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	13,950.00	-	0.00%	-	0.00%	0.00	0.00%
2002	1,055.00	-	0.00%	826.00	78.29%	(826.00)	-78.29%

**Kentucky Utilities
Electric**

**Analysis of Experienced Salvage
1964 through 2002**

Account 361 - Distribution Structures and Improvements

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	5,479.00	2,444.00	44.61%	439.00	8.01%	2,005.00	36.59%
1966-1968	5,479.00	2,444.00	44.61%	439.00	8.01%	2,005.00	36.59%
1967-1969	5,479.00	2,444.00	44.61%	439.00	8.01%	2,005.00	36.59%
1968-1970	6,918.00	2,141.00	30.95%	1,323.00	19.12%	818.00	11.82%
1969-1971	6,918.00	2,141.00	30.95%	1,323.00	19.12%	818.00	11.82%
1970-1972	6,918.00	2,141.00	30.95%	1,323.00	19.12%	818.00	11.82%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	2,564.00	1,132.00	44.15%	501.00	19.54%	631.00	24.61%
1974-1976	2,564.00	1,132.00	44.15%	501.00	19.54%	631.00	24.61%
1975-1977	2,564.00	1,132.00	44.15%	501.00	19.54%	631.00	24.61%
1976-1978	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1977-1979	2,305.00	2,062.00	89.46%	20.00	0.87%	2,042.00	88.59%
1978-1980	4,724.00	3,047.00	64.50%	743.00	15.73%	2,304.00	48.77%
1979-1981	5,533.00	3,047.00	55.07%	743.00	13.43%	2,304.00	41.64%
1980-1982	3,228.00	985.00	30.51%	723.00	22.40%	262.00	8.12%
1981-1983	809.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	423.00	46.00	10.87%	23.00	5.44%	23.00	5.44%
1984-1986	5,031.00	1,734.00	34.47%	3,826.00	76.05%	(2,092.00)	-41.58%
1985-1987	16,879.00	4,000.00	23.70%	5,036.00	29.84%	(1,036.00)	-6.14%
1986-1988	34,726.00	4,167.00	12.00%	8,941.00	25.75%	(4,774.00)	-13.75%
1987-1989	30,216.00	2,643.00	8.75%	5,212.00	17.25%	(2,569.00)	-8.50%
1988-1990	19,261.00	872.00	4.53%	5,876.00	30.51%	(5,004.00)	-25.98%
1989-1991	12,454.00	3,533.00	28.37%	4,202.00	33.74%	(669.00)	-5.37%
1990-1992	16,493.00	3,546.00	21.50%	5,837.00	35.39%	(2,291.00)	-13.89%
1991-1993	25,009.00	5,228.47	20.91%	6,958.55	27.82%	(1,730.08)	-6.92%
1992-1994	30,121.00	4,001.91	13.29%	7,739.05	25.69%	(3,737.14)	-12.41%
1993-1995	35,020.00	5,966.62	17.04%	8,170.02	23.33%	(2,203.40)	-6.29%
1994-1996	73,403.00	8,156.32	11.11%	12,721.19	17.33%	(4,564.88)	-6.22%
1995-1997	77,869.00	8,990.91	11.55%	13,824.55	17.75%	(4,833.64)	-6.21%
1996-1998	77,939.00	7,961.14	10.21%	14,045.18	18.02%	(6,084.04)	-7.81%
1997-1999	33,279.00	3,880.45	11.66%	7,024.96	21.11%	(3,144.51)	-9.45%
1998-2000	12,238.00	1,398.41	11.43%	2,887.10	23.59%	(1,488.69)	-12.16%
1999-2001	17,082.00	286.47	1.68%	526.50	3.08%	(240.02)	-1.41%
2000-2002	15,005.00	0.00	0.00%	826.00	5.50%	(826.00)	-5.50%
1964-2002	203,330.00	30,901.23	15.20%	41,448.70	20.38%	-10,547.47	-5.19%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	50
Avg Ret Age	24
Years to ASL	26
Inflation Factor At 2.75% to ASL	2.02

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	9.66%
1988-2002	15-Year Trend	6.17%
1993-2002	10-Year Trend	0.98%
1998-2002	5-Year Trend	-2.13%

Adjusted Salvage & C/O/R -2.13% 41.27% -43.40%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 362 - Station Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	118,980.00	45,347.00	38.11%	8,749.00	7.35%	36,598.00	30.76%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	152,891.00	41,015.00	26.83%	11,710.00	7.66%	29,305.00	19.17%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	104,999.00	40,184.00	38.27%	14,223.00	13.55%	25,961.00	24.72%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	104,994.00	79,106.00	75.34%	9,677.00	9.22%	69,429.00	66.13%
1978	213,082.00	136,497.00	64.06%	7,088.00	3.33%	129,409.00	60.73%
1979	125,204.00	75,283.00	60.13%	24,636.00	19.68%	50,647.00	40.45%
1980	335,973.00	101,186.00	30.12%	10,289.00	3.06%	90,897.00	27.05%
1981	92,238.00	54,067.00	58.62%	11,896.00	12.90%	42,171.00	45.72%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	326,963.00	253,406.00	77.50%	14,394.00	4.40%	239,012.00	73.10%
1986	190,339.00	43,534.00	22.87%	33,002.00	17.34%	10,532.00	5.53%
1987	285,835.00	226,075.00	79.09%	21,026.00	7.36%	205,049.00	71.74%
1988	451,776.00	106,637.00	23.60%	30,717.00	6.80%	75,920.00	16.80%
1989	195,083.00	143,701.00	73.66%	51,602.00	26.45%	92,099.00	47.21%
1990	208,500.00	200,606.00	96.21%	48,826.00	23.42%	151,780.00	72.80%
1991	165,021.00	158,813.00	96.24%	39,479.00	23.92%	119,334.00	72.31%
1992	80,345.00	124,745.00	155.26%	31,926.00	39.74%	92,819.00	115.53%
1993	174,354.00	127,061.86	72.88%	26,005.54	14.92%	101,056.32	57.96%
1994	720,385.00	276,391.71	38.37%	61,787.41	8.58%	214,604.30	29.79%
1995	167,475.00	118,333.63	70.66%	18,581.57	11.10%	99,752.06	59.56%
1996	914,724.00	285,521.13	31.21%	67,669.67	7.40%	217,851.46	23.82%
1997	574,447.00	203,909.95	35.50%	52,924.99	9.21%	150,984.96	26.28%
1998	613,457.00	401,160.41	65.39%	74,504.15	12.14%	326,656.26	53.25%
1999	179,181.00	98,260.04	54.84%	14,111.29	7.88%	84,148.76	46.96%
2000	20,330.00	-	0.00%	-	0.00%	0.00	0.00%
2001	413,104.00	22,168.00	5.37%	27,584.00	6.68%	(5,416.00)	-1.31%
2002	493,067.00	2,776.00	0.56%	12,926.00	2.62%	(10,150.00)	-2.06%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 362 - Station Equipment

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	118,980.00	45,347.00	38.11%	8,749.00	7.35%	36,598.00	30.76%
1966-1968	118,980.00	45,347.00	38.11%	8,749.00	7.35%	36,598.00	30.76%
1967-1969	118,980.00	45,347.00	38.11%	8,749.00	7.35%	36,598.00	30.76%
1968-1970	152,891.00	41,015.00	26.83%	11,710.00	7.66%	29,305.00	19.17%
1969-1971	152,891.00	41,015.00	26.83%	11,710.00	7.66%	29,305.00	19.17%
1970-1972	152,891.00	41,015.00	26.83%	11,710.00	7.66%	29,305.00	19.17%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	104,999.00	40,184.00	38.27%	14,223.00	13.55%	25,961.00	24.72%
1974-1976	104,999.00	40,184.00	38.27%	14,223.00	13.55%	25,961.00	24.72%
1975-1977	209,993.00	119,290.00	56.81%	23,900.00	11.38%	95,390.00	45.43%
1976-1978	318,076.00	215,603.00	67.78%	16,765.00	5.27%	198,838.00	62.51%
1977-1979	443,280.00	290,886.00	65.62%	41,401.00	9.34%	249,485.00	56.28%
1978-1980	674,259.00	312,966.00	46.42%	42,013.00	6.23%	270,953.00	40.19%
1979-1981	553,415.00	230,536.00	41.66%	46,821.00	8.46%	183,715.00	33.20%
1980-1982	428,211.00	155,253.00	36.26%	22,185.00	5.18%	133,068.00	31.08%
1981-1983	92,238.00	54,067.00	58.62%	11,896.00	12.90%	42,171.00	45.72%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	326,963.00	253,406.00	77.50%	14,394.00	4.40%	239,012.00	73.10%
1984-1986	517,302.00	296,940.00	57.40%	47,396.00	9.16%	249,544.00	48.24%
1985-1987	803,137.00	523,015.00	65.12%	68,422.00	8.52%	454,593.00	56.60%
1986-1988	927,950.00	376,246.00	40.55%	84,745.00	9.13%	291,501.00	31.41%
1987-1989	932,694.00	476,413.00	51.08%	103,345.00	11.08%	373,068.00	40.00%
1988-1990	855,359.00	450,944.00	52.72%	131,145.00	15.33%	319,799.00	37.39%
1989-1991	568,604.00	503,120.00	88.48%	139,907.00	24.61%	363,213.00	63.88%
1990-1992	453,866.00	484,164.00	106.68%	120,231.00	26.49%	363,933.00	80.19%
1991-1993	419,720.00	410,619.86	97.83%	97,410.54	23.21%	313,209.32	74.62%
1992-1994	975,084.00	528,198.57	54.17%	119,718.95	12.28%	408,479.63	41.89%
1993-1995	1,062,214.00	521,787.20	49.12%	106,374.51	10.01%	415,412.69	39.11%
1994-1996	1,802,584.00	680,246.47	37.74%	148,038.65	8.21%	532,207.82	29.52%
1995-1997	1,656,646.00	607,764.70	36.69%	139,176.23	8.40%	468,588.48	28.29%
1996-1998	2,102,628.00	890,591.48	42.36%	195,098.81	9.28%	695,492.68	33.08%
1997-1999	1,367,085.00	703,330.39	51.45%	141,540.42	10.35%	561,789.97	41.09%
1998-2000	812,968.00	499,420.45	61.43%	88,615.43	10.90%	410,805.02	50.53%
1999-2001	612,615.00	120,428.04	19.66%	41,695.29	6.81%	78,732.76	12.85%
2000-2002	926,501.00	24,944.00	2.69%	40,510.00	4.37%	(15,566.00)	-1.68%
1964-2002	7,422,747.00	3,365,784.72	45.34%	725,334.60	9.77%	2,640,450.12	35.57%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	50
Avg Ret Age	22.4
Years to ASL	27.6

Inflation Factor At 2.75% to ASL 2.11

<u>Gross Salv. Trend Analysis*</u>		
1983-2002	20-Year Trend	40.29%
1988-2002	15-Year Trend	27.42%
1993-2002	10-Year Trend	12.33%
1998-2002	5-Year Trend	2.18%

Adjusted Salvage & C/O/R 2.18% 20.66% -18.48%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 364 - Poles, Towers and Fixtures

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	292,808.00	124,226.00	42.43%	122,035.00	41.68%	2,191.00	0.75%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	424,592.00	125,622.00	29.59%	169,860.00	40.01%	(44,238.00)	-10.42%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	410,684.00	139,313.00	33.92%	156,725.00	38.16%	(17,412.00)	-4.24%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	316,551.00	134,160.00	42.38%	113,887.00	35.98%	20,273.00	6.40%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	420,449.00	39,540.00	9.40%	192,722.00	45.84%	(153,182.00)	-36.43%
1980	483,167.00	146,812.00	30.39%	255,275.00	52.83%	(108,463.00)	-22.45%
1981	457,330.00	135,547.00	29.64%	214,077.00	46.81%	(78,530.00)	-17.17%
1982	538,296.00	155,845.00	28.95%	284,667.00	52.88%	(128,822.00)	-23.93%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	571,087.00	268,186.00	46.96%	368,139.00	64.46%	(99,953.00)	-17.50%
1986	842,348.00	271,225.00	32.20%	477,159.00	56.65%	(205,934.00)	-24.45%
1987	755,330.00	355,786.00	47.10%	593,598.00	78.59%	(237,812.00)	-31.48%
1988	1,037,016.00	1,331,862.00	128.43%	523,401.00	50.47%	808,461.00	77.96%
1989	809,610.00	590,272.00	72.91%	629,908.00	77.80%	(39,636.00)	-4.90%
1990	864,023.00	666,369.00	77.12%	659,027.00	76.27%	7,342.00	0.85%
1991	1,982,061.00	1,241,255.00	62.62%	697,964.00	35.21%	543,291.00	27.41%
1992	2,130,301.00	1,326,304.00	62.26%	853,897.00	40.08%	472,407.00	22.18%
1993	1,330,114.00	1,254,100.78	94.29%	948,478.36	71.31%	305,622.41	22.98%
1994	2,598,859.00	1,386,769.05	53.36%	1,065,669.95	41.01%	321,099.10	12.36%
1995	1,412,233.00	1,261,395.98	89.32%	749,106.14	53.04%	512,289.84	36.28%
1996	2,241,833.00	934,128.12	41.67%	792,888.13	35.37%	141,239.99	6.30%
1997	922,869.00	415,810.46	45.06%	406,495.31	44.05%	9,315.15	1.01%
1998	859,407.00	849,016.63	98.79%	498,999.23	58.06%	350,017.40	40.73%
1999	841,648.00	712,527.63	84.66%	316,890.93	37.65%	395,636.70	47.01%
2000	809,592.00	48,841.00	6.03%	113,168.00	13.98%	(64,327.00)	-7.95%
2001	662,394.00	114,706.00	17.32%	193,207.51	29.17%	(78,501.51)	-11.85%
2002	376,388.00	29,079.00	7.73%	193,663.00	51.45%	(164,584.00)	-43.73%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 364 - Poles, Towers and Fixtures

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	292,808.00	124,226.00	42.43%	122,035.00	41.68%	2,191.00	0.75%
1966-1968	292,808.00	124,226.00	42.43%	122,035.00	41.68%	2,191.00	0.75%
1967-1969	292,808.00	124,226.00	42.43%	122,035.00	41.68%	2,191.00	0.75%
1968-1970	424,592.00	125,622.00	29.59%	169,860.00	40.01%	(44,238.00)	-10.42%
1969-1971	424,592.00	125,622.00	29.59%	169,860.00	40.01%	(44,238.00)	-10.42%
1970-1972	424,592.00	125,622.00	29.59%	169,860.00	40.01%	(44,238.00)	-10.42%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	410,684.00	139,313.00	33.92%	156,725.00	38.16%	(17,412.00)	-4.24%
1974-1976	410,684.00	139,313.00	33.92%	156,725.00	38.16%	(17,412.00)	-4.24%
1975-1977	727,235.00	273,473.00	37.60%	270,612.00	37.21%	2,861.00	0.39%
1976-1978	316,551.00	134,160.00	42.38%	113,887.00	35.98%	20,273.00	6.40%
1977-1979	737,000.00	173,700.00	23.57%	306,609.00	41.60%	(132,909.00)	-18.03%
1978-1980	903,616.00	186,352.00	20.62%	447,997.00	49.58%	(261,645.00)	-28.96%
1979-1981	1,360,946.00	321,899.00	23.65%	662,074.00	48.65%	(340,175.00)	-25.00%
1980-1982	1,478,793.00	438,204.00	29.63%	754,019.00	50.99%	(315,815.00)	-21.36%
1981-1983	995,626.00	291,392.00	29.27%	498,744.00	50.09%	(207,352.00)	-20.83%
1982-1984	538,296.00	155,845.00	28.95%	284,667.00	52.88%	(128,822.00)	-23.93%
1983-1985	571,087.00	268,186.00	46.96%	368,139.00	64.46%	(99,953.00)	-17.50%
1984-1986	1,413,435.00	539,411.00	38.16%	845,298.00	59.80%	(305,887.00)	-21.64%
1985-1987	2,168,765.00	895,197.00	41.28%	1,438,896.00	66.35%	(543,699.00)	-25.07%
1986-1988	2,634,694.00	1,958,873.00	74.35%	1,594,158.00	60.51%	364,715.00	13.84%
1987-1989	2,601,956.00	2,277,920.00	87.55%	1,746,907.00	67.14%	531,013.00	20.41%
1988-1990	2,710,649.00	2,588,503.00	95.49%	1,812,336.00	66.86%	776,167.00	28.63%
1989-1991	3,655,694.00	2,497,896.00	68.33%	1,986,899.00	54.35%	510,997.00	13.98%
1990-1992	4,976,385.00	3,233,928.00	64.99%	2,210,888.00	44.43%	1,023,040.00	20.56%
1991-1993	5,442,476.00	3,821,659.78	70.22%	2,500,339.36	45.94%	1,321,320.41	24.28%
1992-1994	6,059,274.00	3,967,173.83	65.47%	2,868,045.32	47.33%	1,099,128.52	18.14%
1993-1995	5,341,206.00	3,902,265.81	73.06%	2,763,254.46	51.73%	1,139,011.35	21.32%
1994-1996	6,252,925.00	3,582,293.15	57.29%	2,607,664.23	41.70%	974,628.93	15.59%
1995-1997	4,576,935.00	2,611,334.56	57.05%	1,948,489.59	42.57%	662,844.97	14.48%
1996-1998	4,024,109.00	2,198,955.21	54.64%	1,698,382.68	42.21%	500,572.53	12.44%
1997-1999	2,623,924.00	1,977,354.73	75.36%	1,222,385.48	46.59%	754,969.25	28.77%
1998-2000	2,510,647.00	1,610,385.26	64.14%	929,058.16	37.00%	681,327.10	27.14%
1999-2001	2,313,634.00	876,074.63	37.87%	623,266.44	26.94%	252,808.19	10.93%
2000-2002	1,848,374.00	192,626.00	10.42%	500,038.51	27.05%	(307,412.51)	-16.63%
1964-2002	24,390,990.00	14,058,698.66	57.64%	11,590,907.58	47.52%	2,467,791.08	10.12%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	42
Avg Ret Age	18.1
Years to ASL	23.9

Inflation Factor At 2.75% to ASL 1.91

Adjusted Salvage & C/O/R

10.70%

90.88%

-80.18%

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	58.61%
1988-2002	15-Year Trend	36.90%
1993-2002	10-Year Trend	32.41%
1998-2002	5-Year Trend	10.70%

Kentucky Utilities
Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 365 - Overhead Conductors and Devices

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	158,615.00	91,224.00	57.51%	60,770.00	38.31%	30,454.00	19.20%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	393,297.00	263,430.00	66.98%	179,982.00	45.76%	83,448.00	21.22%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	374,260.00	164,913.00	44.06%	174,975.00	46.75%	(10,062.00)	-2.69%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	258,930.00	146,446.00	56.56%	131,168.00	50.66%	15,278.00	5.90%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	366,868.00	178,717.00	48.71%	219,222.00	59.76%	(40,505.00)	-11.04%
1980	415,150.00	206,076.00	49.64%	288,357.00	69.46%	(82,281.00)	-19.82%
1981	347,351.00	157,741.00	45.41%	212,417.00	61.15%	(54,676.00)	-15.74%
1982	447,457.00	222,911.00	49.82%	297,208.00	66.42%	(74,297.00)	-16.60%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	413,733.00	262,597.00	63.47%	392,771.00	94.93%	(130,174.00)	-31.46%
1986	494,268.00	283,662.00	57.39%	452,618.00	91.57%	(168,956.00)	-34.18%
1987	707,438.00	291,495.00	41.20%	435,605.00	61.58%	(144,110.00)	-20.37%
1988	767,896.00	352,124.00	45.86%	395,093.00	51.45%	(42,969.00)	-5.60%
1989	679,291.00	518,384.00	76.31%	511,936.00	75.36%	6,448.00	0.95%
1990	736,941.00	645,276.00	87.56%	513,438.00	69.67%	131,838.00	17.89%
1991	615,033.00	377,964.00	61.45%	451,911.00	73.48%	(73,947.00)	-12.02%
1992	773,048.00	484,213.00	62.64%	518,555.00	67.08%	(34,342.00)	-4.44%
1993	850,626.00	770,843.59	90.62%	735,220.86	86.43%	35,622.73	4.19%
1994	1,025,932.00	521,841.65	50.87%	509,916.64	49.70%	11,925.01	1.16%
1995	1,017,289.00	875,735.65	86.09%	654,066.58	64.30%	221,669.07	21.79%
1996	978,357.00	390,394.90	39.90%	419,417.57	42.87%	(29,022.67)	-2.97%
1997	921,889.00	400,132.50	43.40%	492,192.20	53.39%	(92,059.70)	-9.99%
1998	821,160.00	766,505.70	93.34%	577,922.21	70.38%	188,583.50	22.97%
1999	778,038.00	620,992.20	79.82%	355,075.52	45.64%	265,916.69	34.18%
2000	964,245.00	62,850.00	6.52%	134,146.00	13.91%	(71,296.00)	-7.39%
2001	632,267.00	135,282.00	21.40%	158,790.51	25.11%	(23,508.51)	-3.72%
2002	203,570.00	26,890.00	13.21%	146,866.00	72.15%	(119,976.00)	-58.94%

**Kentucky Utilities
Electric**

Charnas

**Analysis of Experienced Salvage
1964 through 2002**

Account 365 - Overhead Conductors and Devices

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	158,615.00	91,224.00	57.51%	60,770.00	38.31%	30,454.00	19.20%
1966-1968	158,615.00	91,224.00	57.51%	60,770.00	38.31%	30,454.00	19.20%
1967-1969	158,615.00	91,224.00	57.51%	60,770.00	38.31%	30,454.00	19.20%
1968-1970	393,297.00	263,430.00	66.98%	179,982.00	45.76%	83,448.00	21.22%
1969-1971	393,297.00	263,430.00	66.98%	179,982.00	45.76%	83,448.00	21.22%
1970-1972	393,297.00	263,430.00	66.98%	179,982.00	45.76%	83,448.00	21.22%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	374,260.00	164,913.00	44.06%	174,975.00	46.75%	(10,062.00)	-2.69%
1974-1976	374,260.00	164,913.00	44.06%	174,975.00	46.75%	(10,062.00)	-2.69%
1975-1977	633,190.00	311,359.00	49.17%	306,143.00	48.35%	5,216.00	0.82%
1976-1978	258,930.00	146,446.00	56.56%	131,168.00	50.66%	15,278.00	5.90%
1977-1979	625,798.00	325,163.00	51.96%	350,390.00	55.99%	(25,227.00)	-4.03%
1978-1980	782,018.00	384,793.00	49.21%	507,579.00	64.91%	(122,786.00)	-15.70%
1979-1981	1,129,369.00	542,534.00	48.04%	719,996.00	63.75%	(177,462.00)	-15.71%
1980-1982	1,209,958.00	586,728.00	48.49%	797,982.00	65.95%	(211,254.00)	-17.46%
1981-1983	794,808.00	380,652.00	47.89%	509,625.00	64.12%	(128,973.00)	-16.23%
1982-1984	447,457.00	222,911.00	49.82%	297,208.00	66.42%	(74,297.00)	-16.60%
1983-1985	413,733.00	262,597.00	63.47%	392,771.00	94.93%	(130,174.00)	-31.46%
1984-1986	908,001.00	546,259.00	60.16%	845,389.00	93.10%	(299,130.00)	-32.94%
1985-1987	1,615,439.00	837,754.00	51.86%	1,280,994.00	79.30%	(443,240.00)	-27.44%
1986-1988	1,969,602.00	927,281.00	47.08%	1,283,316.00	65.16%	(356,035.00)	-18.08%
1987-1989	2,154,625.00	1,162,003.00	53.93%	1,342,634.00	62.31%	(180,631.00)	-8.38%
1988-1990	2,184,128.00	1,515,784.00	69.40%	1,420,467.00	65.04%	95,317.00	4.36%
1989-1991	2,031,265.00	1,541,624.00	75.89%	1,477,285.00	72.73%	64,339.00	3.17%
1990-1992	2,125,022.00	1,507,453.00	70.94%	1,483,904.00	69.83%	23,549.00	1.11%
1991-1993	2,238,707.00	1,633,020.59	72.94%	1,705,686.86	76.19%	(72,666.27)	-3.25%
1992-1994	2,649,606.00	1,776,898.24	67.06%	1,763,692.50	66.56%	13,205.74	0.50%
1993-1995	2,893,847.00	2,168,420.89	74.93%	1,899,204.08	65.63%	269,216.81	9.30%
1994-1996	3,021,578.00	1,787,972.20	59.17%	1,583,400.79	52.40%	204,571.42	6.77%
1995-1997	2,917,535.00	1,666,263.05	57.11%	1,565,676.34	53.66%	100,586.70	3.45%
1996-1998	2,721,406.00	1,557,033.10	57.21%	1,489,531.97	54.73%	67,501.12	2.48%
1997-1999	2,521,087.00	1,787,630.40	70.91%	1,425,189.92	56.53%	362,440.48	14.38%
1998-2000	2,563,443.00	1,450,347.91	56.58%	1,067,143.72	41.63%	383,204.18	14.95%
1999-2001	2,374,550.00	819,124.20	34.50%	648,012.03	27.29%	171,112.18	7.21%
2000-2002	1,800,082.00	225,022.00	12.50%	439,802.51	24.43%	(214,780.51)	-11.93%
1964-2002	16,142,949.00	9,218,641.19	57.11%	9,419,640.08	58.35%	-200,998.88	-1.25%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	43
Avg Ret Age	18.8
Years to ASL	24.2

Inflation Factor At 2.75% to ASL 1.93

Adjusted Salvage & C/O/R 8.59% 112.50% -103.92%

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	52.08%
1988-2002	15-Year Trend	43.72%
1993-2002	10-Year Trend	28.68%
1998-2002	5-Year Trend	8.59%

Kentucky Utilities
Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 366 - Underground Conduit

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	-	-	0.00%	-	0.00%	0.00	0.00%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	-	-	0.00%	-	0.00%	0.00	0.00%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	22.00	1.00	4.55%	10.00	45.45%	(9.00)	-40.91%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	977.00	-	0.00%	14.00	1.43%	(14.00)	-1.43%
1980	184.00	-	0.00%	3.00	1.63%	(3.00)	-1.63%
1981	-	-	0.00%	-	0.00%	0.00	0.00%
1982	-	-	0.00%	-	0.00%	0.00	0.00%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	-	-	0.00%	-	0.00%	0.00	0.00%
1986	3,615.00	201.00	5.56%	630.00	17.43%	(429.00)	-11.87%
1987	-	-	0.00%	-	0.00%	0.00	0.00%
1988	-	-	0.00%	-	0.00%	0.00	0.00%
1989	237.00	125.00	52.74%	-	0.00%	125.00	52.74%
1990	-	-	0.00%	-	0.00%	0.00	0.00%
1991	-	-	0.00%	-	0.00%	0.00	0.00%
1992	-	-	0.00%	-	0.00%	0.00	0.00%
1993	-	-	0.00%	-	0.00%	0.00	0.00%
1994	-	-	0.00%	-	0.00%	0.00	0.00%
1995	-	-	0.00%	-	0.00%	0.00	0.00%
1996	-	-	0.00%	-	0.00%	0.00	0.00%
1997	15.00	0.79	5.27%	1.80	11.97%	(1.01)	-6.70%
1998	-	-	0.00%	-	0.00%	0.00	0.00%
1999	-	-	0.00%	-	0.00%	0.00	0.00%
2000	-	-	0.00%	-	0.00%	0.00	0.00%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	-	-	0.00%	-	0.00%	0.00	0.00%

Kentucky Utilities
Electric

Analysis of Experienced Salvage
1964 through 2002

Account 366 - Underground Conduit

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1969-1971	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1970-1972	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1974-1976	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1975-1977	22.00	1.00	4.55%	10.00	45.45%	(9.00)	-40.91%
1976-1978	22.00	1.00	4.55%	10.00	45.45%	(9.00)	-40.91%
1977-1979	999.00	1.00	0.10%	24.00	2.40%	(23.00)	-2.30%
1978-1980	1,161.00	0.00	0.00%	17.00	1.46%	(17.00)	-1.46%
1979-1981	1,161.00	0.00	0.00%	17.00	1.46%	(17.00)	-1.46%
1980-1982	184.00	0.00	0.00%	3.00	1.63%	(3.00)	-1.63%
1981-1983	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1982-1984	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1983-1985	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1984-1986	3,615.00	201.00	5.56%	630.00	17.43%	(429.00)	-11.87%
1985-1987	3,615.00	201.00	5.56%	630.00	17.43%	(429.00)	-11.87%
1986-1988	3,615.00	201.00	5.56%	630.00	17.43%	(429.00)	-11.87%
1987-1989	237.00	125.00	52.74%	0.00	0.00%	125.00	52.74%
1988-1990	237.00	125.00	52.74%	0.00	0.00%	125.00	52.74%
1989-1991	237.00	125.00	52.74%	0.00	0.00%	125.00	52.74%
1990-1992	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1991-1993	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1992-1994	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1993-1995	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1994-1996	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1995-1997	15.00	0.79	5.27%	1.80	11.97%	(1.01)	-6.70%
1996-1998	15.00	0.79	5.27%	1.80	11.97%	(1.01)	-6.70%
1997-1999	15.00	0.79	5.27%	1.80	11.97%	(1.01)	-6.70%
1998-2000	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1999-2001	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
2000-2002	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1964-2002	5,050.00	327.79	6.49%	658.80	13.05%	-331.01	-6.55%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	50
Avg Ret Age	5.5
Years to ASL	44.5

Inflation Factor At 2.75% to ASL 3.34

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	3.21%
1988-2002	15-Year Trend	-10.39%
1993-2002	10-Year Trend	2.11%
1998-2002	5-Year Trend	-2.63%

Adjusted Salvage & C/O/R

-2.63%

43.63%

-46.26%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 367 - Underground Conductors and Devices

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	-	-	0.00%	-	0.00%	0.00	0.00%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	1,026.00	202.00	19.69%	153.00	14.91%	49.00	4.78%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	23,964.00	11,249.00	46.94%	6,305.00	26.31%	4,944.00	20.63%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	15,178.00	6,350.00	41.84%	2,832.00	18.66%	3,518.00	23.18%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	14,210.00	3,901.00	27.45%	2,584.00	18.18%	1,317.00	9.27%
1980	18,294.00	5,911.00	32.31%	2,132.00	11.65%	3,779.00	20.66%
1981	33,238.00	5,128.00	15.43%	4,549.00	13.69%	579.00	1.74%
1982	16,079.00	4,701.00	29.24%	1,522.00	9.47%	3,179.00	19.77%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	28,973.00	29,679.00	102.44%	3,253.00	11.23%	26,426.00	91.21%
1986	46,524.00	26,225.00	56.37%	7,827.00	16.82%	18,398.00	39.55%
1987	89,465.00	66,889.00	74.77%	10,081.00	11.27%	56,808.00	63.50%
1988	87,088.00	54,664.00	62.77%	11,885.00	13.65%	42,779.00	49.12%
1989	62,027.00	80,711.00	130.12%	18,853.00	30.39%	61,858.00	99.73%
1990	51,317.00	82,574.00	160.91%	9,267.00	18.06%	73,307.00	142.85%
1991	121,385.00	69,824.00	57.52%	7,354.00	6.06%	62,470.00	51.46%
1992	3,940.00	28,643.00	726.98%	8,736.00	221.73%	19,907.00	505.25%
1993	108,923.00	136,593.94	125.40%	29,103.35	26.72%	107,490.58	98.68%
1994	119,096.00	92,675.72	77.82%	18,298.78	15.36%	74,376.95	62.45%
1995	177,737.00	204,300.38	114.95%	35,326.43	19.88%	168,973.95	95.07%
1996	286,239.00	165,393.92	57.78%	37,933.45	13.25%	127,460.47	44.53%
1997	212,450.00	123,921.93	58.33%	35,063.65	16.50%	88,858.28	41.83%
1998	217,910.00	343,167.69	157.48%	47,409.24	21.76%	295,758.44	135.73%
1999	279,756.00	385,527.27	137.81%	39,467.86	14.11%	346,059.41	123.70%
2000	254,398.00	27,478.00	10.80%	10,987.00	4.32%	16,491.00	6.48%
2001	138,621.00	56,790.00	40.97%	70,691.00	51.00%	(13,901.00)	-10.03%
2002	46,298.00	3,543.00	7.65%	10,315.00	22.28%	(6,772.00)	-14.63%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 367 - Underground Conductors and Devices

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1966-1968	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1967-1969	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1968-1970	1,026.00	202.00	19.69%	153.00	14.91%	49.00	4.78%
1969-1971	1,026.00	202.00	19.69%	153.00	14.91%	49.00	4.78%
1970-1972	1,026.00	202.00	19.69%	153.00	14.91%	49.00	4.78%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	23,964.00	11,249.00	46.94%	6,305.00	26.31%	4,944.00	20.63%
1974-1976	23,964.00	11,249.00	46.94%	6,305.00	26.31%	4,944.00	20.63%
1975-1977	39,142.00	17,599.00	44.96%	9,137.00	23.34%	8,462.00	21.62%
1976-1978	15,178.00	6,350.00	41.84%	2,832.00	18.66%	3,518.00	23.18%
1977-1979	29,388.00	10,251.00	34.88%	5,416.00	18.43%	4,835.00	16.45%
1978-1980	32,504.00	9,812.00	30.19%	4,716.00	14.51%	5,096.00	15.68%
1979-1981	65,742.00	14,940.00	22.73%	9,265.00	14.09%	5,675.00	8.63%
1980-1982	67,611.00	15,740.00	23.28%	8,203.00	12.13%	7,537.00	11.15%
1981-1983	49,317.00	9,829.00	19.93%	6,071.00	12.31%	3,758.00	7.62%
1982-1984	16,079.00	4,701.00	29.24%	1,522.00	9.47%	3,179.00	19.77%
1983-1985	28,973.00	29,679.00	102.44%	3,253.00	11.23%	26,426.00	91.21%
1984-1986	75,497.00	55,904.00	74.05%	11,080.00	14.68%	44,824.00	59.37%
1985-1987	164,962.00	122,793.00	74.44%	21,161.00	12.83%	101,632.00	61.61%
1986-1988	223,077.00	147,778.00	66.25%	29,793.00	13.36%	117,985.00	52.89%
1987-1989	238,580.00	202,264.00	84.78%	40,819.00	17.11%	161,445.00	67.67%
1988-1990	200,432.00	217,949.00	108.74%	40,005.00	19.96%	177,944.00	88.78%
1989-1991	234,729.00	233,109.00	99.31%	35,474.00	15.11%	197,635.00	84.20%
1990-1992	176,642.00	181,041.00	102.49%	25,357.00	14.36%	155,684.00	88.14%
1991-1993	234,248.00	235,060.94	100.35%	45,193.35	19.29%	189,867.58	81.05%
1992-1994	231,959.00	257,912.66	111.19%	56,138.13	24.20%	201,774.53	86.99%
1993-1995	405,756.00	433,570.04	106.85%	82,728.56	20.39%	350,841.48	86.47%
1994-1996	583,072.00	462,370.02	79.30%	91,558.66	15.70%	370,811.36	63.60%
1995-1997	676,426.00	493,616.23	72.97%	108,323.53	16.01%	385,292.70	56.96%
1996-1998	716,599.00	632,483.54	88.26%	120,406.34	16.80%	512,077.20	71.46%
1997-1999	710,116.00	852,616.89	120.07%	121,940.76	17.17%	730,676.14	102.90%
1998-2000	752,064.00	756,172.96	100.55%	97,864.11	13.01%	658,308.85	87.53%
1999-2001	672,775.00	469,795.27	69.83%	121,145.86	18.01%	348,649.41	51.82%
2000-2002	439,317.00	87,811.00	19.99%	91,993.00	20.94%	(4,182.00)	-0.95%
1964-2002	2,454,136.00	2,016,042.85	82.15%	431,928.76	17.60%	1,584,114.08	64.55%

Trend Analysis (End Year) 2002

***Based Upon 3-Year Rolling Averages**

Annual Inflation	2.75%
ASL	30
Avg Ret Age	7.6
Years to ASL	22.4

Inflation Factor At 2.75% to ASL 1.84

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	93.07%
1988-2002	15-Year Trend	74.42%
1993-2002	10-Year Trend	56.71%
1998-2002	5-Year Trend	23.70%

Adjusted Salvage & C/OIR 23.70% 32.32% -8.61%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 368 - Line Transformers

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	223,524.00	93,560.00	41.86%	50,028.00	22.38%	43,532.00	19.48%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	429,872.00	102,363.00	23.81%	102,335.00	23.81%	28.00	0.01%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	450,846.00	130,460.00	28.94%	63,529.00	14.09%	66,931.00	14.85%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	356,136.00	112,021.00	31.45%	48,244.00	13.55%	63,777.00	17.91%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	473,511.00	132,368.00	27.95%	72,281.00	15.26%	60,087.00	12.69%
1980	669,528.00	126,186.00	18.85%	346,562.00	51.76%	(220,376.00)	-32.92%
1981	702,226.00	109,348.00	15.57%	120,832.00	17.21%	(11,484.00)	-1.64%
1982	693,889.00	140,802.00	20.29%	115,311.00	16.62%	25,491.00	3.67%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	896,089.00	202,653.00	22.62%	142,332.00	15.88%	60,321.00	6.73%
1986	1,749,115.00	270,163.00	15.45%	974,420.00	55.71%	(704,257.00)	-40.26%
1987	1,032,838.00	207,368.00	20.08%	145,410.00	14.08%	61,958.00	6.00%
1988	2,062,556.00	177,457.00	8.60%	76,847.00	3.73%	100,610.00	4.88%
1989	1,044,857.00	353,577.00	33.84%	174,951.00	16.74%	178,626.00	17.10%
1990	1,002,515.00	284,271.00	28.36%	187,079.00	18.66%	97,192.00	9.69%
1991	1,195,341.00	195,164.00	16.33%	149,553.00	12.51%	45,611.00	3.82%
1992	691,546.00	213,355.00	30.85%	142,294.00	20.58%	71,061.00	10.28%
1993	847,976.00	232,189.34	27.38%	273,888.78	32.30%	(41,699.44)	-4.92%
1994	584,476.00	83,928.26	14.36%	108,557.24	18.57%	(24,628.99)	-4.21%
1995	765,824.00	203,553.86	26.58%	184,000.12	24.03%	19,553.74	2.55%
1996	730,803.00	85,566.98	11.71%	117,074.17	16.02%	(31,507.19)	-4.31%
1997	2,704,437.00	361,049.78	13.35%	539,565.88	19.95%	(178,516.10)	-6.60%
1998	464,646.00	113,170.59	24.36%	122,201.16	26.30%	(9,030.57)	-1.94%
1999	594,542.00	121,272.73	20.40%	101,394.40	17.05%	19,878.33	3.34%
2000	383,014.00	26,189.00	6.84%	103,589.00	27.05%	(77,400.00)	-20.21%
2001	2,559,948.00	49,931.00	1.95%	336,354.36	13.14%	(286,423.36)	-11.19%
2002	690,258.00	50,820.00	7.36%	413,253.00	59.87%	(362,433.00)	-52.51%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 368 - Line Transformers

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	223,524.00	93,560.00	41.86%	50,028.00	22.38%	43,532.00	19.48%
1966-1968	223,524.00	93,560.00	41.86%	50,028.00	22.38%	43,532.00	19.48%
1967-1969	223,524.00	93,560.00	41.86%	50,028.00	22.38%	43,532.00	19.48%
1968-1970	429,872.00	102,363.00	23.81%	102,335.00	23.81%	28.00	0.01%
1969-1971	429,872.00	102,363.00	23.81%	102,335.00	23.81%	28.00	0.01%
1970-1972	429,872.00	102,363.00	23.81%	102,335.00	23.81%	28.00	0.01%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	450,846.00	130,460.00	28.94%	63,529.00	14.09%	66,931.00	14.85%
1974-1976	450,846.00	130,460.00	28.94%	63,529.00	14.09%	66,931.00	14.85%
1975-1977	806,982.00	242,481.00	30.05%	111,773.00	13.85%	130,708.00	16.20%
1976-1978	356,136.00	112,021.00	31.45%	48,244.00	13.55%	63,777.00	17.91%
1977-1979	829,647.00	244,389.00	29.46%	120,525.00	14.53%	123,864.00	14.93%
1978-1980	1,143,039.00	258,554.00	22.62%	418,843.00	36.64%	(160,289.00)	-14.02%
1979-1981	1,845,265.00	367,902.00	19.94%	539,675.00	29.25%	(171,773.00)	-9.31%
1980-1982	2,065,643.00	376,336.00	18.22%	582,705.00	28.21%	(206,369.00)	-9.99%
1981-1983	1,396,115.00	250,150.00	17.92%	236,143.00	16.91%	14,007.00	1.00%
1982-1984	693,889.00	140,802.00	20.29%	115,311.00	16.62%	25,491.00	3.67%
1983-1985	896,089.00	202,653.00	22.62%	142,332.00	15.88%	60,321.00	6.73%
1984-1986	2,645,204.00	472,816.00	17.87%	1,116,752.00	42.22%	(643,936.00)	-24.34%
1985-1987	3,678,042.00	680,184.00	18.49%	1,262,162.00	34.32%	(581,978.00)	-15.82%
1986-1988	4,844,509.00	654,988.00	13.52%	1,196,677.00	24.70%	(541,689.00)	-11.16%
1987-1989	4,140,251.00	738,402.00	17.83%	397,208.00	9.59%	341,194.00	8.24%
1988-1990	4,109,928.00	815,305.00	19.84%	438,877.00	10.68%	376,428.00	9.16%
1989-1991	3,242,713.00	833,012.00	25.69%	511,583.00	15.78%	321,429.00	9.91%
1990-1992	2,889,402.00	692,790.00	23.98%	478,926.00	16.58%	213,864.00	7.40%
1991-1993	2,734,863.00	640,708.34	23.43%	565,735.78	20.69%	74,972.56	2.74%
1992-1994	2,123,998.00	529,472.60	24.93%	524,740.02	24.71%	4,732.57	0.22%
1993-1995	2,198,276.00	519,671.46	23.64%	566,446.14	25.77%	(46,774.68)	-2.13%
1994-1996	2,081,103.00	373,049.10	17.93%	409,631.53	19.68%	(36,582.43)	-1.76%
1995-1997	4,201,064.00	650,170.62	15.48%	840,640.16	20.01%	(190,469.55)	-4.53%
1996-1998	3,899,886.00	559,787.35	14.35%	778,841.20	19.97%	(219,053.86)	-5.62%
1997-1999	3,763,625.00	595,493.10	15.82%	763,161.43	20.28%	(167,668.33)	-4.45%
1998-2000	1,442,202.00	260,632.32	18.07%	327,184.56	22.69%	(66,552.23)	-4.61%
1999-2001	3,537,504.00	197,392.73	5.58%	541,337.76	15.30%	(343,945.03)	-9.72%
2000-2002	3,633,220.00	126,940.00	3.49%	853,196.36	23.48%	(726,256.36)	-19.99%
1964-2002	24,000,313.00	4,178,787.54	17.41%	5,211,886.10	21.72%	-1,033,098.57	-4.30%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	42
Avg Ret Age	20.4
Years to ASL	21.6
Inflation Factor At 2.75% to ASL	1.80

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	13.06%
1988-2002	15-Year Trend	10.61%
1993-2002	10-Year Trend	4.60%
1998-2002	5-Year Trend	1.88%

Adjusted Salvage & C/O/R 1.88% 39.02% -37.14%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 369 - Services

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	135,454.00	30,258.00	22.34%	91,234.00	67.35%	(60,976.00)	-45.02%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	156,606.00	33,536.00	21.41%	107,227.00	68.47%	(73,691.00)	-47.06%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	181,496.00	34,682.00	19.11%	93,941.00	51.76%	(59,259.00)	-32.65%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	227,128.00	41,375.00	18.22%	126,571.00	55.73%	(85,196.00)	-37.51%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	239,255.00	74,576.00	31.17%	148,144.00	61.92%	(73,568.00)	-30.75%
1980	237,846.00	77,820.00	32.72%	165,141.00	69.43%	(87,321.00)	-36.71%
1981	252,232.00	71,435.00	28.32%	181,894.00	72.11%	(110,459.00)	-43.79%
1982	226,000.00	53,519.00	23.68%	163,301.00	72.26%	(109,782.00)	-48.58%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	307,193.00	52,981.00	17.25%	189,913.00	61.82%	(136,932.00)	-44.58%
1986	400,742.00	54,836.00	13.68%	259,211.00	64.68%	(204,375.00)	-51.00%
1987	383,791.00	52,331.00	13.64%	138,457.00	36.08%	(86,126.00)	-22.44%
1988	377,190.00	52,865.00	14.02%	119,253.00	31.62%	(66,388.00)	-17.60%
1989	439,585.00	70,735.00	16.09%	158,123.00	35.97%	(87,388.00)	-19.88%
1990	462,827.00	70,229.00	15.17%	202,367.00	43.72%	(132,138.00)	-28.55%
1991	425,223.00	58,854.00	13.84%	210,200.00	49.43%	(151,346.00)	-35.59%
1992	345,933.00	58,636.00	16.95%	222,067.00	64.19%	(163,431.00)	-47.24%
1993	1,401.00	396.88	28.33%	1,093.93	78.08%	(697.05)	-49.75%
1994	975,551.00	135,235.62	13.86%	438,028.06	44.90%	(302,792.45)	-31.04%
1995	489,073.00	137,226.40	28.06%	284,068.22	58.08%	(146,841.82)	-30.02%
1996	565,520.00	66,565.68	11.77%	219,012.34	38.73%	(152,446.66)	-26.96%
1997	579,700.00	81,412.31	14.04%	279,595.86	48.23%	(198,183.55)	-34.19%
1998	512,410.00	109,713.10	21.41%	325,784.59	63.58%	(216,071.49)	-42.17%
1999	400,211.00	69,808.37	17.44%	164,998.61	41.23%	(95,190.24)	-23.79%
2000	313,831.00	21,133.00	6.73%	108,245.00	34.49%	(87,112.00)	-27.76%
2001	114,753.00	7,264.00	6.33%	41,683.00	36.32%	(34,419.00)	-29.99%
2002	62,090.00	134,178.00	216.10%	54,657.00	88.03%	79,521.00	128.07%

**Kentucky Utilities
Electric**

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 369 - Services

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	135,454.00	30,258.00	22.34%	91,234.00	67.35%	(60,976.00)	-45.02%
1966-1968	135,454.00	30,258.00	22.34%	91,234.00	67.35%	(60,976.00)	-45.02%
1967-1969	135,454.00	30,258.00	22.34%	91,234.00	67.35%	(60,976.00)	-45.02%
1968-1970	156,606.00	33,536.00	21.41%	107,227.00	68.47%	(73,691.00)	-47.06%
1969-1971	156,606.00	33,536.00	21.41%	107,227.00	68.47%	(73,691.00)	-47.06%
1970-1972	156,606.00	33,536.00	21.41%	107,227.00	68.47%	(73,691.00)	-47.06%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	181,496.00	34,682.00	19.11%	93,941.00	51.76%	(59,259.00)	-32.65%
1974-1976	181,496.00	34,682.00	19.11%	93,941.00	51.76%	(59,259.00)	-32.65%
1975-1977	408,624.00	76,057.00	18.61%	220,512.00	53.96%	(144,455.00)	-35.35%
1976-1978	227,128.00	41,375.00	18.22%	126,571.00	55.73%	(85,196.00)	-37.51%
1977-1979	466,383.00	115,951.00	24.86%	274,715.00	58.90%	(158,764.00)	-34.04%
1978-1980	477,101.00	152,396.00	31.94%	313,285.00	65.66%	(160,889.00)	-33.72%
1979-1981	729,333.00	223,831.00	30.69%	495,179.00	67.89%	(271,348.00)	-37.20%
1980-1982	716,078.00	202,774.00	28.32%	510,336.00	71.27%	(307,562.00)	-42.95%
1981-1983	478,232.00	124,954.00	26.13%	345,195.00	72.18%	(220,241.00)	-46.05%
1982-1984	226,000.00	53,519.00	23.68%	163,301.00	72.26%	(109,782.00)	-48.58%
1983-1985	307,193.00	52,981.00	17.25%	189,913.00	61.82%	(136,932.00)	-44.58%
1984-1986	707,935.00	107,817.00	15.23%	449,124.00	63.44%	(341,307.00)	-48.21%
1985-1987	1,091,726.00	160,148.00	14.67%	587,581.00	53.82%	(427,433.00)	-39.15%
1986-1988	1,161,723.00	160,032.00	13.78%	516,921.00	44.50%	(356,889.00)	-30.72%
1987-1989	1,200,566.00	175,931.00	14.65%	415,833.00	34.64%	(239,902.00)	-19.98%
1988-1990	1,279,602.00	193,829.00	15.15%	479,743.00	37.49%	(285,914.00)	-22.34%
1989-1991	1,327,635.00	199,818.00	15.05%	570,690.00	42.99%	(370,872.00)	-27.93%
1990-1992	1,233,983.00	187,719.00	15.21%	634,634.00	51.43%	(446,915.00)	-36.22%
1991-1993	772,557.00	117,886.88	15.26%	433,360.93	56.09%	(315,474.05)	-40.84%
1992-1994	1,322,885.00	194,268.50	14.69%	661,188.99	49.98%	(466,920.49)	-35.30%
1993-1995	1,466,025.00	272,858.90	18.61%	723,190.21	49.33%	(450,331.31)	-30.72%
1994-1996	2,030,144.00	339,027.69	16.70%	941,108.62	46.36%	(602,080.92)	-29.66%
1995-1997	1,634,293.00	285,204.39	17.45%	782,676.42	47.89%	(497,472.03)	-30.44%
1996-1998	1,657,630.00	257,691.09	15.55%	824,392.79	49.73%	(566,701.71)	-34.19%
1997-1999	1,492,321.00	260,933.78	17.49%	770,379.07	51.62%	(509,445.28)	-34.14%
1998-2000	1,226,452.00	200,654.47	16.36%	599,028.20	48.84%	(398,373.73)	-32.48%
1999-2001	828,795.00	98,205.37	11.85%	314,926.61	38.00%	(216,721.24)	-26.15%
2000-2002	490,674.00	162,575.00	33.13%	204,585.00	41.69%	(42,010.00)	-8.56%
1964-2002	8,813,041.00	1,651,601.36	18.74%	4,494,210.61	51.00%	-2,842,609.25	-32.25%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	38
Avg Ret Age	10.9
Years to ASL	27.1

Inflation Factor At 2.75% to ASL 2.09

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	17.56%
1988-2002	15-Year Trend	20.78%
1993-2002	10-Year Trend	22.05%
1998-2002	5-Year Trend	27.74%

Adjusted Salvage & C/O/R

27.74%

106.37%

-78.63%

Kentucky Utilities
Electric

Charnas

Analysis of Experienced Salvage
1964 through 2002

Account 370 - Meters

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
1964	-	-	0.00%	-	0.00%	0.00	0.00%
1965	-	-	0.00%	-	0.00%	0.00	0.00%
1966	-	-	0.00%	-	0.00%	0.00	0.00%
1967	85,265.00	3,749.00	4.40%	7,779.00	9.12%	(4,030.00)	-4.73%
1968	-	-	0.00%	-	0.00%	0.00	0.00%
1969	-	-	0.00%	-	0.00%	0.00	0.00%
1970	135,789.00	6,571.00	4.84%	10,001.00	7.37%	(3,430.00)	-2.53%
1971	-	-	0.00%	-	0.00%	0.00	0.00%
1972	-	-	0.00%	-	0.00%	0.00	0.00%
1973	-	-	0.00%	-	0.00%	0.00	0.00%
1974	-	-	0.00%	-	0.00%	0.00	0.00%
1975	223,806.00	1,929.00	0.86%	3,359.00	1.50%	(1,430.00)	-0.64%
1976	-	-	0.00%	-	0.00%	0.00	0.00%
1977	500,921.00	121,165.00	24.19%	10,166.00	2.03%	110,999.00	22.16%
1978	-	-	0.00%	-	0.00%	0.00	0.00%
1979	204,618.00	8,059.00	3.94%	-	0.00%	8,059.00	3.94%
1980	285,932.00	9,428.00	3.30%	-	0.00%	9,428.00	3.30%
1981	234,503.00	8,608.00	3.67%	-	0.00%	8,608.00	3.67%
1982	237,478.00	7,561.00	3.18%	-	0.00%	7,561.00	3.18%
1983	-	-	0.00%	-	0.00%	0.00	0.00%
1984	-	-	0.00%	-	0.00%	0.00	0.00%
1985	209,213.00	6,420.00	3.07%	130.00	0.06%	6,290.00	3.01%
1986	140,217.00	2,058.00	1.47%	-	0.00%	2,058.00	1.47%
1987	392,164.00	1,512.00	0.39%	113.00	0.03%	1,399.00	0.36%
1988	373,675.00	6,570.00	1.76%	4,471.00	1.20%	2,099.00	0.56%
1989	501,612.00	1,798.00	0.36%	2,529.00	0.50%	(731.00)	-0.15%
1990	712,412.00	3,537.00	0.50%	5,649.00	0.79%	(2,112.00)	-0.30%
1991	495,375.00	1,026.00	0.21%	534.00	0.11%	492.00	0.10%
1992	148,022.00	4,585.00	3.10%	3,236.00	2.19%	1,349.00	0.91%
1993	592,779.00	27,547.81	4.65%	8,980.32	1.51%	18,567.49	3.13%
1994	671,459.00	14,338.73	2.14%	5,849.52	0.87%	8,489.21	1.26%
1995	456,529.00	21,370.17	4.68%	5,144.77	1.13%	16,225.41	3.55%
1996	860,313.00	16,200.73	1.88%	6,464.36	0.75%	9,736.37	1.13%
1997	889,096.00	20,771.30	2.34%	8,320.02	0.94%	12,451.27	1.40%
1998	1,012,984.00	30,227.27	2.98%	12,495.80	1.23%	17,731.48	1.75%
1999	1,258,952.00	29,594.75	2.35%	10,070.45	0.80%	19,524.30	1.55%
2000	591,264.00	-	0.00%	7,962.00	1.35%	(7,962.00)	-1.35%
2001	-	-	0.00%	-	0.00%	0.00	0.00%
2002	8,955.00	-	0.00%	-	0.00%	0.00	0.00%

**Kentucky Utilities
Electric**

Analysis of Experienced Salvage
1964 through 2002

Account 370 - Meters

<u>Year</u>	<u>Original Cost of Retirements</u>	<u>Gross Salvage</u>	<u>%</u>	<u>Cost of Removal</u>	<u>%</u>	<u>Net Salvage</u>	<u>%</u>
THREE - YEAR ROLLING BANDS							
1964-1966	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1965-1967	85,265.00	3,749.00	4.40%	7,779.00	9.12%	(4,030.00)	-4.73%
1966-1968	85,265.00	3,749.00	4.40%	7,779.00	9.12%	(4,030.00)	-4.73%
1967-1969	85,265.00	3,749.00	4.40%	7,779.00	9.12%	(4,030.00)	-4.73%
1968-1970	135,789.00	6,571.00	4.84%	10,001.00	7.37%	(3,430.00)	-2.53%
1969-1971	135,789.00	6,571.00	4.84%	10,001.00	7.37%	(3,430.00)	-2.53%
1970-1972	135,789.00	6,571.00	4.84%	10,001.00	7.37%	(3,430.00)	-2.53%
1971-1973	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1972-1974	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00%
1973-1975	223,806.00	1,929.00	0.86%	3,359.00	1.50%	(1,430.00)	-0.64%
1974-1976	223,806.00	1,929.00	0.86%	3,359.00	1.50%	(1,430.00)	-0.64%
1975-1977	724,727.00	123,094.00	16.98%	13,525.00	1.87%	109,569.00	15.12%
1976-1978	500,921.00	121,165.00	24.19%	10,166.00	2.03%	110,999.00	22.16%
1977-1979	705,539.00	129,224.00	18.32%	10,166.00	1.44%	119,058.00	16.87%
1978-1980	490,550.00	17,487.00	3.56%	0.00	0.00%	17,487.00	3.56%
1979-1981	725,053.00	26,095.00	3.60%	0.00	0.00%	26,095.00	3.60%
1980-1982	757,913.00	25,597.00	3.38%	0.00	0.00%	25,597.00	3.38%
1981-1983	471,981.00	16,169.00	3.43%	0.00	0.00%	16,169.00	3.43%
1982-1984	237,478.00	7,561.00	3.18%	0.00	0.00%	7,561.00	3.18%
1983-1985	209,213.00	6,420.00	3.07%	130.00	0.06%	6,290.00	3.01%
1984-1986	349,430.00	8,478.00	2.43%	130.00	0.04%	8,348.00	2.39%
1985-1987	741,594.00	9,990.00	1.35%	243.00	0.03%	9,747.00	1.31%
1986-1988	906,056.00	10,140.00	1.12%	4,584.00	0.51%	5,556.00	0.61%
1987-1989	1,267,451.00	9,880.00	0.78%	7,113.00	0.56%	2,767.00	0.22%
1988-1990	1,587,699.00	11,905.00	0.75%	12,649.00	0.80%	(744.00)	-0.05%
1989-1991	1,709,399.00	6,361.00	0.37%	8,712.00	0.51%	(2,351.00)	-0.14%
1990-1992	1,355,809.00	9,148.00	0.67%	9,419.00	0.69%	(271.00)	-0.02%
1991-1993	1,236,176.00	33,158.81	2.68%	12,750.32	1.03%	20,408.49	1.65%
1992-1994	1,412,260.00	46,471.54	3.29%	18,065.84	1.28%	28,405.70	2.01%
1993-1995	1,720,767.00	63,256.71	3.68%	19,974.60	1.16%	43,282.11	2.52%
1994-1996	1,988,301.00	51,909.63	2.61%	17,458.64	0.88%	34,450.99	1.73%
1995-1997	2,205,938.00	58,342.20	2.64%	19,929.15	0.90%	38,413.05	1.74%
1996-1998	2,762,393.00	67,199.30	2.43%	27,280.18	0.99%	39,919.12	1.45%
1997-1999	3,161,032.00	80,593.32	2.55%	30,886.27	0.98%	49,707.05	1.57%
1998-2000	2,863,200.00	59,822.02	2.09%	30,528.25	1.07%	29,293.77	1.02%
1999-2001	1,850,216.00	29,594.75	1.60%	18,032.45	0.97%	11,562.30	0.62%
2000-2002	600,219.00	0.00	0.00%	7,962.00	1.33%	(7,962.00)	-1.33%
1964-2002	11,223,333.00	354,626.76	3.16%	113,254.24	1.01%	241,372.52	2.15%

Trend Analysis (End Year) 2002

*Based Upon 3-Year Rolling Averages

Annual Inflation	2.75%
ASL	44
Avg Ret Age	21.2
Years to ASL	22.8
Inflation Factor At 2.75% to ASL	1.86

Gross Salv. Trend Analysis*		
1983-2002	20-Year Trend	1.71%
1988-2002	15-Year Trend	2.30%
1993-2002	10-Year Trend	0.88%
1998-2002	5-Year Trend	-0.01%

Adjusted Salvage & C/O/R -0.01% 1.87% -1.88%